

A Conciliatory Assad Signals U.S. Détente Syrian Welcomes Lifting of Sanctions

By Jim Hoagland and Patrick E. Tyler Washington Post Service

DAMASCUS — President Hafez al-Assad has put an end to a year of open diplomatic conflict with the United States by welcoming recent U.S. decisions to lift most of the sanctions imposed against Syria in a dispute over terrorism.

In a two-hour interview Saturday at the presidential palace, Mr. Assad adopted an unusually conciliatory tone in his remarks toward U.S. policies in the region. But he indicated that important differences remain, principally over U.S. support for Israel.

Mr. Assad also confirmed that he had met secretly in April with his most bitter foe in the Arab world, President Saddam Hussein of Iraq. He disclosed that no progress had been made in ending their decade-old conflict, noting, "We each had our own view on Arab and international matters... We remained where we were."

Emphasizing that he had no intention of reducing Syria's political support for Iran in its war against Iraq, as has been frequently rumored, Mr. Assad asserted that Syria's refusal to break with Iran "has played a major role in preventing the expansion of the war" to other Arab states.

Mr. Assad, 56, appeared to have substantially recovered from a series of health problems that had weakened him in recent years. He was far more animated in conversation and more physically relaxed than he was during a similar interview 16 months ago, when he voiced fears that the United States

was considering a military attack on Syria. Mr. Assad made these other points in Saturday's interview: • Syria continues to seek strategic military parity with Israel despite a lull in military tensions between the two countries and indications by the Soviet Union, Syria's main military supplier, that it is seeking to reduce friction with Israel.

"It is difficult to see that Israel would respond to the need for a just peace while it is feeling superior," Mr. Assad argued, adding, "Those who want peace to prevail, whether in the East or the West, should view our sayings and our direction as a fair saying and direction, and a necessity."

• Syria will continue efforts to help free more of the foreign hostages held in Lebanon. "We approach the subject of the hostages as a human issue," he said. "We understand their suffering."

But he could offer no specific indication that any new releases could be expected soon. • He confirmed that Syria had closed the Damascus office of the Palestinian guerrilla group led by Abu Nidal, which has been implicated in the slaughter of civilians at the Rome, Vienna and Karachi airports.

But he strongly rejected any implication that he closed the office to restore normal relations with the United States. "It is wrong to portray the action taken with the presence of the Abu Nidal group as if it was taken under the influence of a foreign power, because the actions taken were for reasons belonging to us in Syria,"

See ASSAD, Page 7



Pope John Paul II greeting Canadian Indians on Smeley at Fort Simpson, Northwest Territories.

Pope, in Canada, Supports Indian Rights

The Associated Press FORT SIMPSON, Northwest Territories — Pope John Paul II kept a promise Sunday by visiting this subarctic outpost, where he spoke in support of native rights and warned Indians not to let "instability" undermine their society.

The pope went to Canada at the end of a 10-day tour of the United States, which he closed with a strong appeal against abortion. At Fort Simpson, a steady drizzle fell as the pope's plane arrived from Edmonton, Alberta. He was driven to a settlement on the banks of the Mackenzie River where an estimated 4,000 Indians wearing plastic raincoats huddled in front of a 55-foot tapest.

Before the pope's arrival, the ceremonies began with the lighting of a sacred fire accompanied by traditional drumming, the burning of sweet grass and the passing of the sacred pipe. John Paul had scheduled a stop at the settlement during a Canadian tour in September 1984, but could not land because of thick fog. Thousands of Indians, whose ancestors were introduced to Roman Catholicism by French missionaries, were bitterly disappointed, despite a statement the pope issued in support of native rights.

John Paul promised to return, and military radar was installed to prevent a recurrence of the fog problem. In a 20-minute address delivered before Mass, the pope reaffirmed the church's support for native rights and prayed for a "just agreement" with the Canadian government on protection for those rights in the Constitution. "I pray that the Holy Spirit will help you all to find the just way so that Canada may be a model for the world in upholding the dignity of the aboriginal peoples," he said.

Anti-Abortion Speech Earlier, Roberto Suro of The New York Times reported from Detroit: In his last speech in the United States, the pope stridently condemned

on Saturday the practice of abortion, arguing that the nation must defend all human life if it wants to enjoy justice and freedom. The "ultimate test" of the country's greatness is "to respect every human person, especially the weakest and most defenseless ones, those as yet unborn," he said at a farewell ceremony with Vice President George Bush at Detroit Metro Airport.

After having delivered 47 addresses in 9 cities, John Paul saved some of his strongest words for his last moments on U.S. soil. After extolling the nation, from its "majestic mountains" to its "quest for excellence," he turned to the issue of abortion. "If you want equal justice for all, and true freedom and lasting peace, then, America, defend life," he said.

This obligation, he said, involves tasks as varied as welcoming refugees, securing the rights of minorities and pursuing disarmament. But, he added, "all this will succeed only if respect for life and its protection by law is granted to every human being from conception until natural death."

The pope has restated the church's position on abortion several times on his 10-day tour, but this was the first time he made it the major theme of a speech. He See POPE, Page 4

Leftist Leader Is Slain in Philippines; Rebels Vow to 'Respond Accordingly'

Compiled by Our Staff From Dispatches MANILA — Communist insurgents condemned on Sunday the killing of the weekend of a prominent leftist, vowing to "respond accordingly."

Gunmen firing from a van killed Leandro Alejandro, 27, on Saturday, two days before leftist groups were to stage nationwide rallies against "rising fascism" in the Philippines. Mr. Alejandro was shot as he returned to his office from a news conference where he had announced plans for the demonstrations Monday against the government.

He was the secretary-general of Bayan, a umbrella organization whose members include most of the nation's leftist protest groups. "Bayan" means "country." Officials said Mr. Alejandro was shot repeatedly in the head. He was pronounced dead at a hospital. His driver was critically wounded. It was not clear who was responsible.

The killing came at a time of tension in the Philippines, as the government is still seeking solid footing after the coup attempt three weeks ago and the military is expecting smaller-scale attempts at destabilization. In a statement, Mr. Sandoval accused "ultra-rightist elements" of

the killing. He said Mrs. Aquino's government, however, "cannot escape the blame" because of its "to See MANILA, Page 4



Leandro Alejandro giving a news conference shortly before being assassinated.

See MANILA, Page 4

Nunn, Carlucci See Even Chance For More Cuts

Compiled by Our Staff From Dispatches WASHINGTON — Senator Sam Nunn and Frank C. Carlucci, President Ronald Reagan's national security adviser, said Sunday that there was an even chance the United States and the Soviet Union would agree to reduce long-range strategic nuclear weapons before Mr. Reagan leaves office in 1989.

"I think there's a 50-50 chance," Mr. Nunn, the chairman of the Senate Armed Services Committee, said in a "Meet the Press" television interview. "Getting it ratified during that time frame is an entirely different question," added Mr. Nunn, a Democrat from Georgia. He did not elaborate.

Mr. Carlucci, on the same program, said he shared Mr. Nunn's view on the chances of an agreement on strategic arms. "It's going to require a lot of work," he said. He said that some progress had been made on strategic missiles during three days of talks last week between Secretary of State George P. Shultz and the Soviet foreign minister, Eduard A. Shevardnadze.

"We agreed to intensify the effort," he said. The talks last week resulted in agreement in principle to sign a treaty abolishing intermediate-range nuclear forces, or INF. The missiles have a range of 600 to 3,000 miles (1,000 to 5,000 kilometers).

Representative Les Aspin, Democrat of Wisconsin and chairman of the House Armed Services Committee, said the INF agreement represented "a small step in the wrong direction."

"Basically it's a small step in the direction of taking out nuclear weapons in Europe while leaving the conventional balance which heavily favors the Soviet Union, leaving all that in place," he said on another television interview program, "This Week With David Brinkley."

Mr. Shultz also appearing on the Brinkley program, would say only that "maybe" a strategic arms agreement would be reached. Mr. Shultz also said that Europe was safer because of the INF agreement. "There are weapons systems in place committed to NATO, under the NATO command, both short-range and also weapons on ships, dual-capable aircraft," Mr. Shultz said. "Those are all there, but that's not part of the INF agreement."

Mr. Aspin said the purpose of deploying U.S. Pershing-2 and ground-launched cruise missiles in Western Europe was to show the European allies "that somehow we would not abandon them in a crisis."

"And by removing those nuclear weapons," he added, "we're back to where we were in 1977" when European leaders wondered whether See PACT, Page 4



RELATED ARTICLES

■ Moscow's new flexibility is apparently reflected in a changed SDI stance. Page 2. ■ The Kremlin said it will ease restraints on Jewish emigration and on dissidents. Page 4. ■ The critical issue of long-range arms is next on the U.S.-Soviet agenda. Page 2.

Taiwan Ban On Travel to China to End

By Daniel Southerland Washington Post Service

TAIPEI — In a dramatic move toward liberalization, Taiwan has decided to lift a 38-year-old ban against travel to China, according to senior officials in the capital. Nationalist officials said the only people who would not be allowed to visit China for family reunions would be soldiers on active duty and government officials.

The officials insisted that the main purpose would be humanitarian, to allow hundreds of thousands of Chinese who fled to Taiwan after the Communist victory on the mainland in 1949 to visit their old homes and relatives. But they also said the lifting of the travel ban, which is expected to be formally announced in the next few days, would have the side effect of putting Taipei on the political offensive against Beijing for the first time in decades.

"For so long they've been trying to push us around," said Shaw Yung-min, director of Taiwan's government information office. "We now want to call the shots. We're going to show that we don't fear them anymore."

"If we allow our people to go to the mainland," he said, "they can bring tidings of democracy and freedom to the mainland. But I want to emphasize that the fundamental reason for this decision is humanitarian."

Taiwan has asked the International Commission on Human Rights to See TAIWAN, Page 4

Kiosk An NFL Strike Seems Certain

NEW YORK (UPI) — A National Football League players' strike appeared to be virtually certain Sunday, with the opposing sides far from the bargaining table.

Despite an outward sign of normalcy with a full schedule of NFL games, a strike deadline remained fixed for Tuesday, and there seemed little possibility of an agreement before then. (Sunday NFL results, Page 15, and related story, Page 14.)



Prime Minister Branko Mikulic said Yugoslavia would seek a three-year moratorium on repaying its foreign debt. Page 9.

GENERAL NEWS ■ The referendum in New Caledonia "settled nothing," a French analyst says. Page 7. ■ The comras, in a gesture of support for the Latin peace accord, freed 80 prisoners. Page 5. BUSINESS/FINANCE ■ A plan for Iran to export crude oil across Soviet territory faces serious obstacles, an oil journal said. Page 9.

Arab League Sets Meeting On Gulf War

Compiled by Our Staff From Dispatches TUNIS — Arab League foreign ministers agreed Sunday to call a summit meeting of Arab leaders in Amman in November to discuss the Gulf war, ministers attending a private meeting here said.

The ministers, at the second round of an Arab League Ministerial Council session, voted unanimously in favor of the summit meeting, according to sources connected with the session. Of the Arab League's 21 members, 17 foreign ministers were present.

The session was called to examine the situation in the Gulf. Jordan proposed hosting the summit meeting but an exact date was not set, according to the sources, who spoke on condition that they not be named.

Foreign Minister Farouk al-Shara of Syria told reporters that his country hoped a summit meeting would not be limited solely to the Gulf situation but would include "all Arab problems of the moment."

In the Gulf Sunday, an Iranian gunboat sprayed a Saudi tanker with machine-gun fire, in Tehran's first retaliation against the resumption of Iraqi air attacks on ships serving Iran.

Gulf shipping sources said the gunboat fired at the Petroship B near the Strait of Hormuz, hitting crew quarters but causing no casualties and only minor damage.

The Yen, Say New Believers, May Just Keep Getting Stronger

By Nicholas D. Kristof New York Times Service

TOKYO — With Japanese companies having adapted effectively to the yen's huge appreciation against the dollar, the yen is likely to gain even more strength over the next year or so, many analysts here say.

Until recently many economists and executives here argued that the yen had advanced too far, and that it would retreat modestly to about 170 or 180 to the dollar.

But sentiment seems to be growing that the yen's strength is not exhausted. Some experts expect the yen to be fairly stable at current levels, but others foresee it appreciating over the next few years to the level of 100 to the dollar.

Already the yen has risen about 85 percent since its trough of 263.65 on Feb. 13, 1985. The yen ended trading Friday in New York at 142.55 to the dollar.

"The consensus has changed dramatically," said Hiroyuki Kasai, an economics professor at Asia University in Tokyo. "People think the yen is strong to stay,"

Flight of the Concorde: From Pariah to a Prototype of Planes to Come

By Barry James International Herald Tribune

TOULOUSE, France — The Concorde jet, dismissed until recently as a technological dodo, is starting to look like the herald of a brighter future for supersonic air travel.

The Concorde is proving to be a modest commercial success for the two airlines that operate it. And, in the nondescript office block at the Toulouse airport where the original Concorde project took shape in collaboration with British designers, a successor generation of faster-than-sound aircraft is seen as a possibility for the 21st century.

In the United States, the "Orient Express" program to develop a "national aerospace plane" to link America and Asia at hypersonic speed is under way with strong presidential backing.

In Toulouse, Aerospatiale, the state-owned company that built the

The Concorde was an idea that may have come before its time.

British Aerospace is also working on plans for a hypersonic reusable space vehicle, code-named Hotel, that could be developed into a passenger aircraft.

Aerospatiale engineers say the sleek 100-passenger Concorde, which can fly at 1,350 miles an

hour, more than twice the speed of sound, was an idea that may have come before its time. "You have to remember it was designed around the time of the Boeing 707," said Jean Marquese-Pouey, the head of Aerospatiale's advance research department.

Although, if built today, its take-off weight could be reduced by a third, to 120 tons, and its powerful engine roar muted to meet suburban noise regulations, the original Concorde — designed in 1962 and in service since January 1976 — "is still a very modern aircraft," Mr. Marquese-Pouey said.

Looking 10 years ahead — the time needed to develop new variable cycle engines — it would be possible to build a longer-range and quieter second-generation Concorde that would carry twice as many passengers as the existing version, Mr. Marquese-Pouey said.

See PLANE, Page 4

On French drawing boards are plans for the "Avion à Grande Vitesse," a plane bigger and faster than the Concorde.



On French drawing boards are plans for the "Avion à Grande Vitesse," a plane bigger and faster than the Concorde.

CO-IMPORT LINE



# Crucial Issue of Strategic Arms Is Next on U.S.-Soviet Agenda

By Michael R. Gordon  
*New York Times Service*

WASHINGTON — Following the U.S.-Soviet agreement to reach a treaty banning medium-range and shorter-range missiles, administration experts say attention is returning to the more critical goal of achieving a reduction in long-range nuclear arms.

President Ronald Reagan has said repeatedly that sharp reductions in the long-range arsenals is a top priority.

And Secretary of State George P. Shultz said Friday that while an accord on medium-range and shorter-range arms had recently absorbed the energy of the administration, long-range arms and the related issue of limiting anti-missile defense systems would now get "intensified effort."

Mikhail S. Gorbachev, the Soviet leader, underscored the importance of cutting long-range arms in a letter to Mr. Reagan last week. American officials said.

But both sides face tough decisions in negotiations on how to reduce such weapons, which have a range of more than 3,400 miles (5,500 kilometers). These weapons, which include intercontinental ballistic missiles, are central to each side's nuclear strategy.

Administration experts are divided about the chances of making important progress in this area.

"It is going to be very tough to get from here to there," said Kenneth L. Adelman, the director of the U.S. Arms Control and Disarmament Agency. "When we look at all the problems we have had to resolve over INF, which does not get to the heart of the security concerns of either side, you realize the problems ahead for us in strategic arms are daunting."

INF refers to the intermediate-range and shorter-range weapons that would be eliminated under the proposed agreement announced

Friday and expected to be signed at a summit meeting later this year. Those missiles have a range of 600 to 3,000 miles.

The United States has a total of about 11,700 long-range ballistic missile warheads and weapons that can be delivered to their target by bombers, while the Soviet Union has about 11,000.

The United States would have to eliminate 348 single-warhead missiles under the proposed agreement

**'It is going to be very tough to get from here to there.'**

— Kenneth L. Adelman, U.S. negotiator

on medium-range and shorter-range missiles. The Soviet Union would eliminate medium-range missiles carrying 1,435 warheads and would do away with launchers for about 130 single-warhead shorter-range missiles.

An analysis by the Natural Resources Defense Council says the number of long-range weapons deployed during the Reagan administration exceeds the medium-range weapons that would be eliminated.

The study says the United States has added 1,800 ballistic missiles and long-range weapons carried by bombers since Mr. Reagan came to office in 1981. The report said the Soviet Union had added more than 2,700 such weapons in the same period.

The key question is whether the apparent success in negotiations on other missiles will lead impetus to the talks on strategic arms.

Some American officials have argued that the proposed agreement

vindicates the administration's tough negotiating approach, which will yield results in the talks on longer-range arms.

They also say that the Russians might want to nail down the key provisions of any agreement on long-range arms and anti-missile systems before Mr. Reagan leaves office and Moscow faces the uncertainty of dealing with a new administration.

But other senior officials believe that the lessons from the negotiations on medium-range and shorter-range missiles will not be easily applied to the talks on long-range arms.

These officials assert that the proposed agreement mainly shows that Moscow has decided that eliminating American missiles from Europe is such a desirable goal that it is worth giving up more weapons than the United States.

And the officials add that the weapons that Moscow would give up are not central to its nuclear strategy, as are long-range missiles.

By their reasoning, Moscow could decide to wait and deal with a new American administration that might be more sympathetic to Soviet concerns about how to reduce long-range arms and the need to interpret the 1972 anti-ballistic missile treaty in a strict fashion, which Moscow has made a condition for reducing long-range arms.

The 1972 treaty restricts the development and testing of anti-ballistic missile systems. Moscow insists that the treaty puts strict limits on the administration's proposed system for a space-based missile defense, known as the Strategic Defense Initiative.

By all accounts, the remaining issues on long-range arms are fundamental. A key problem for an agreement on long-range weapons is an American demand that the Russians restructure their arsenal of land-based missiles, which the



**JOINT MANEUVERS IN EUROPE** — The Portuguese crew of an armored personnel carrier preparing for action during an exercise by allied forces in Southern Europe being conducted near Cellina Meduna in Northern Italy.

United States regards as the most threatening weapons.

The Russians have taken some steps to address such American concerns but not nearly enough for the Reagan administration. At the same time, the administration has refused to yield on some of its demands that the Russians deem unacceptable. One is a proposed ban on mobile missiles.

Last week, for example, the Russians proposed a formula that would have the effect of reducing

to 3,600 the number of warheads mounted on Soviet land-based missiles. This would be done indirectly by specifying that each leg of the strategic triad — land-based missiles, bombers and submarine-launched missiles — should not make up more than 60 percent of each side's arsenal.

Administration officials say this is a step in the right direction but stress that the 60 percent formula would compel unacceptable reductions in the American force of submarine-launched missiles.

# The Kremlin's New Flexibility

## Apparent Shift in Stance on SDI Is Prime Example

By Gary Lee  
*Washington Post Service*

MOSCOW — The new flexibility shown by the Kremlin that led to the first U.S.-Soviet arms control agreement in nearly a decade appears to reflect Mikhail S. Gorbachev's confidence in his grip on power and his desire to achieve major arms accords with President Ronald Reagan rather than wait to deal with a new American president.

Soviet arms specialists and Western diplomats in Moscow also discerned a clear Soviet shift away from the single-minded objective of holding back President Reagan's Strategic Defense Initiative and toward broader, more tangible disarmament goals as the main factor clearing the way for a breakthrough.

The policy changes marked a turnaround from Moscow's position in arms negotiations with the United States a year ago, when the Reykjavik summit meeting broke down over a dispute about SDI. Mr. Gorbachev complained then that it would be a "scandal" to hold a summit meeting in the United States while Mr. Reagan was barreling ahead with plans to build a space defense shield against nuclear weapons.

Western diplomats said the Kremlin concessions that clinched agreement in principle to scrap medium-range and shorter-range nuclear missiles demonstrated an urgent need for Mr. Gorbachev to produce some tangible achievements in his high-profile disarmament policy.

The arms accord and forthcoming summit meeting with Mr. Reagan should boost Mr. Gorbachev's stature with Soviet citizens, who are still waiting to see improvements in their lives from a series of economic changes, as well as with the foreign leaders who will be visiting Moscow soon to observe celebrations of the Soviet Union's 70th anniversary.

The Kremlin's new, more flexible disciplinary code, follows the collapse of talks between British Coal and the union, the company wants to introduce tribunals to replace so-called pit-empires, traditionally former union officials.

"The long-term effect of an overtime ban on development work will be suicidal," Albert Tuke, British Coal's director for North Yorkshire, told the miners Saturday.

The Washington talks also appear to mark the end of a long-

standing Soviet taboo against seeking a wide range of other arms agreements with Mr. Reagan.

The policy now is to broach as wide a range of strategic agreements as possible, Soviet officials have explained, on the principle that achieving agreements under a new president in the post-Reagan period may prove even more difficult.

## NEWS ANALYSIS

### WORLD BRIEFS

#### Solidarity Faction Challenges Wales

CZESTOCHOWA, Poland (UPI) — A militant faction of the banned Solidarity trade union revolted Sunday against the leadership of Lech Walesa and called for a meeting to outline a new plan of action against the Polish authorities.

The group, led by Andrzej Slowik, also officially protested the ban on the union. The protest was registered with the Constitutional Tribunal, a state body that decides controversial legal issues.

The faction collected signatures of members of the former Solidarity National Commission, a ruling body with 100 members, before the union was outlawed in 1981. The position called on Mr. Walesa to meet with them. He has not met with the group since Solidarity was banned, and some union activists say he runs the union like a dictator. Mr. Walesa recently said he did not need to meet with the commission because "they will yell at each other and will achieve nothing."

#### U.K. Coal Miners Set Overtime Ban

LONDON (Reuters) — The National Union of Mineworkers, in its first challenge to the government in Prime Minister Margaret Thatcher since ending a yearlong strike in March 1985, was to start refusing to work overtime beginning on Monday. The state-run company British Coal called the move "suicidal."

The overtime ban, to protest a decision by British Coal to change a 40-year-old disciplinary code, follows the collapse of talks between British Coal and the union, the company wants to introduce tribunals to replace so-called pit-empires, traditionally former union officials.

"The long-term effect of an overtime ban on development work will be suicidal," Albert Tuke, British Coal's director for North Yorkshire, told the miners Saturday.

#### India Demands Tamils Give Up Arms

NEW DELHI (AFP) — India accused Sri Lanka's main Tamil militant group Sunday of massacring more than 100 Tamils, and demanded that the group, the Liberation Tigers of Tamil Eelam, surrender its remaining weapons.

G. Parthasarthy, joint secretary in the External Affairs Ministry, said the Tigers had "brutally" killed innocent civilians and rival guerrillas and had instigated Tamils to attack Moslems in eastern Sri Lanka.

The strongly worded statement, the first by India against the Tigers, followed continuing fighting among Tamil groups in the country's northern and eastern regions after India and Sri Lanka signed a peace agreement July 29 in an attempt to end a four-year guerrilla war by Tamil separatist groups.

#### Henry Ford 2d III With Pneumonia

DETROIT (AP) — Henry Ford 2d, the former president and board chairman of Ford Motor Co., remained hospitalized with pneumonia and was listed in serious but stable condition over the weekend.

Brian Cheatham, a spokesman at Henry Ford Hospital, said on Saturday that the 70-year-old grandson of the founder of Ford Motor was suffering from pneumonia.

Mr. Ford, who was president of the company from 1945 to 1960 and board chairman from 1960 to 1985, received the Roman Catholic Church's sacrament of the sick, formerly called the last rites, on Friday. Mr. Ford remains on the auto company board of directors.

#### For the Record

The wife of Ayatollah Ruhollah Khomeini, the Iranian leader, was among those injured in riots in Mecca, in which at least 400 people were killed in July, the Observer newspaper reported Sunday in London. The report said that Batoul Khomeini, 62, was only slightly injured. (AP)

Two sailors on a Yugoslav ship were killed Sunday when their vessel and a Norwegian cargo ship collided in thick fog off the coast of Brittany, French coast guards reported. (Reuters)

Vice President George Bush will officially announce his candidacy for the Republican presidential nomination Oct. 12 in Houston, Texas, a spokesman for his campaign said Saturday. (UPI)

Interior Minister Charles Pasqua of France said Sunday that the government was considering banning the works of historians who questioned the killing of Jews by the Nazis. Jean-Marie Le Pen, a rightist politician, recently termed the Holocaust a "minor detail." (Reuters)

## TRAVEL UPDATE

### U.K. Considers Raising Speed Limit

LONDON (HTT) — Britain may consider raising the highway speed limit from 70 miles to 80 miles an hour (from 110 to 130 kilometers) if police and motoring organizations can prove that it will be enforced. The Sunday Telegraph reported.

Cabinet officials have so far rejected the proposal, but there have been hints that the Transport Ministry would support the higher limit if it was accompanied by the installation of cameras to monitor highway driving and other controls to help enforce the speed limit.

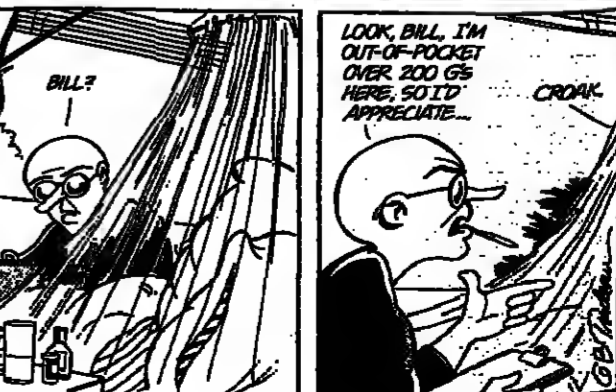
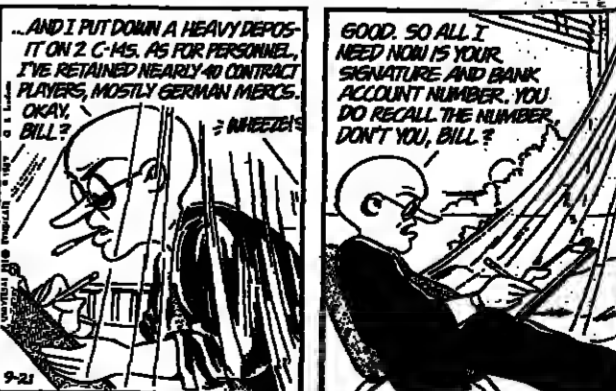
### This Week's Holidays

Banking hours and government services will be closed or curtailed in the following countries and their dependencies this week because of national and religious holidays:

- MONDAY: Belize, Switzerland (Neuchâtel and Vaud area).
- TUESDAY: Mali.
- WEDNESDAY: Japan, Saudi Arabia.
- THURSDAY: Australia (Melbourne area), Dominican Republic, Guinea-Bissau, Israel, New Caledonia, Spain (Balearic area), Trinidad and Tobago.
- FRIDAY: Israel, Malaysia, Mozambique, Rwanda.
- SATURDAY: North Yemen, South Yemen.
- SUNDAY: Ethiopia, Israel.

Source: Morgan Guaranty Trust Co.

### DOONESBURY



# The longer the journey, the more pleasurable its interludes should be.

Even though Singapore Changi Airport offers you some of the fastest and most convenient connections in Asia, we know any transit stop costs you time. We therefore go out of our way to make your stay here as pleasurable and as useful as possible. By offering you the choice of over 40 shops to buy a wide range of items — from souvenirs to jewellery, from cameras to candies at bargain prices. Or 9 restaurants serving delicacies to please every palate. Or a business centre, a nursery, and day rooms (6-hour rates). Of course we also balance the pressures and hectic pace of jet-age travel with cool, calm and courteous efficiency to help you get on with your journey. That's how we treat all our 10 million visitors a year. After all, according to the Business Traveller Magazine, we're the best airport in Asia.

**CAAS**  
Civil Aviation Authority of Singapore

# SINGAPORE CHANGI AIRPORT

THE AIR TRAVELLER'S HAVEN

**UNIVERSITY DEGREE**  
BACHELOR'S • MASTER'S • DOCTORATE  
For Work, Academic, Life Experience.  
Send detailed resume for free evaluation.  
**PACIFIC WESTERN UNIVERSITY**  
400 N. Sepulveda Blvd.,  
Los Angeles, California  
90049, Dept. 22, U.S.A.

## AMERICAN TOPICS

Writer Assails...  
The policy now is to broach as wide a range of strategic agreements as possible, Soviet officials have explained, on the principle that achieving agreements under a new president in the post-Reagan period may prove even more difficult.

## Illusioned, F

EDWARD...  
The wife of Ayatollah Ruhollah Khomeini, the Iranian leader, was among those injured in riots in Mecca, in which at least 400 people were killed in July, the Observer newspaper reported Sunday in London.





AMERICAN TOPICS

Sportswriter Assails Stadiums With Domes

Domed sports stadiums are "dumb," writes Bill McGraw, a sportswriter for the Detroit Free Press. They also are "ugly, unnatural and unnecessary."

The article appeared in The Washington Post. Jack Kent Cooke, owner of the Washington Redskins professional football team, has been talking about modeling a stadium after the Pontiac Silverdome just north of Detroit.

"Domed stadiums seal out the elements," Mr. McGraw writes, "which seems like an odd thing to do in an area such as Washington, where football afternoons often are clear, and, at worst, crisp. The climate is harsher in Detroit, but playing football outside always was accepted — and largely enjoyed — as part of the fabric and fun of following a rugged game."

But at the Silverdome, "the roof does more than blot out the sun," Mr. McGraw wrote. "It traps smoke and noise, which irritate the senses. Players complain that the artificial turf hurts their knees. Fans grumble about the shopping mall ambience."

In brief, "the dome robs the game of its romance." On the other hand, he wrote: "To money guys like Cooke, a dome makes sense because they can turn the stadium into an all-weather, all-events arena. They can schedule wrestling, tractor pulls, Madonna and the pope, and they can continue selling tickets long after the last point-after is kicked."

Short Takes

A mysterious disease is once again destroying oyster beds in Chesapeake Bay, which 30 years ago accounted for half of all the oysters harvested in the United States and now accounts for a fourth. Called MSX, for Multifunctional Spherule X, the disease destroys oyster tissue, but scientists have not discovered what causes it, why it seems to wax and wane or what to do about it. Since MSX first invaded the bay beds 25 years ago, oyster production there has fallen steadily, except



THERE SHE IS — Kaye Lani Rae Rafko, Miss Michigan, is congratulated Saturday by other contestants after she was named Miss America in Atlantic City, New Jersey. Miss Rafko is a registered nurse who treated terminally ill cancer and AIDS patients.

for brief upward spurts. The New York Times reports that many shellfish experts fear for the survival of the Chesapeake Bay oyster and the watermen who harvest it.

"Street Trash," a new film, "chains so redemptive social value," writes Walter Goodman, a film critic in The New York Times. "The mayhem takes place in a Skid Row junkyard" and includes "disemboweling, disfigurements and a gang rape, from which the writer, Roy Frank, tries to squeeze hilarity." The director, Jim Muro, "is 22 years old. The movie seems to have been made by a much younger man."

More than \$30 million has been given to support Jewish schools in the New York City region by Joseph S. Gruss, 64, a retired investment banker who came to the United States as a Polish immigrant in 1939. The money will supplement teachers' salaries and renovate and expand schools. Officials of the United Jewish Ap-

peal-Federation of Jewish Philanthropies called it the largest single sum ever given for Jewish education in an American community. Mr. Gruss said he made the gift during his lifetime because "I prefer to give with a warm hand and not leave it to strangers."

A joint lottery that could become the biggest in the country has been announced by five widely-scattered states — Iowa, Kansas, Oregon, Rhode Island and West Virginia — and the District of Columbia. Tickets are to go on sale for \$1 each early next year. Each state retains the profit from its own ticket sales. Organizers say they hope that jackpots will average \$3 million to \$5 million a week, with the possibility that the prize pool could grow to \$40 million or more if it accumulated for several weeks without a big winner.

Notes About People

Joel Grey, now appearing in a

Broadway-bound Washington revival of "Cabaret," created the part of the seedy master of ceremonies in the original production of the play in 1966. He won a Tony award for that role and an Oscar for the film version that followed. How did the actor, who was born Joel Katz in Cleveland 55 years ago, happen to choose Grey as a stage name? "I plucked it out of the air," he says. "It has proved fortuitous. As an actor, that's what I'm interested in. Not black and white, but the mysterious, ambivalent area in between. Grey. It's the richest kind of acting. It's what I aspire to."

In a recent speech, President Ronald Reagan said: "May I conclude with a little Irish blessing, although some suggest it's a curse. May those who love us, love us. And those who don't love us, may God turn their hearts. And if he doesn't turn their hearts, may he turn their ankles so we'll know them by their limping." —ARTHUR HIGBEE

Bork Vows 'to Interpret Law, Not Make It'

By Linda Greenhouse

WASHINGTON — Judge Robert H. Bork has finished his testimony before a sharply divided Senate Judiciary Committee, vowing that if he is confirmed to the Supreme Court he will be guided not by "some personal political agenda of my own" or a "desire to set the social agenda for the nation" but by the text of the Constitution and the intent of its framers.

"I will adhere to my judicial philosophy," he told the senators Saturday. "I am a jurist who believes his role is to interpret the law and not make it."

The rare Saturday session ended the first phase of the committee's confirmation hearings. No previous Supreme Court nominee has ever spent more than four days answering committee questions.

On Monday, the committee is to begin about two weeks of testimony from other witnesses on both sides, starting with the American Bar Association, which gave Judge Bork its highest rating but by a rare split vote.

Among those scheduled to testify on Judge Bork's behalf are Warren E. Burger, the former chief justice; Lloyd Cutler, a prominent Washington lawyer who was White House counsel under President Jimmy Carter; Carla A. Hills, former secretary of housing and urban development; Governor James R. Thompson of Illinois; and former Governor Dick Thornburgh of Pennsylvania.

Speaking against the nomination will be William Coleman, secretary of transportation under President Gerald R. Ford; Barbara Jordan, a former congresswoman from Texas; and Burke Marshall, one of Judge Bork's former colleagues on the Yale Law School faculty.

The Judiciary Committee seemed as closely split on the nomination at the end of the week as it had at the beginning, and Judge Bork's prospects once the nomination reaches the Senate floor remain uncertain. As many as 30 senators are believed to remain undecided.

Shortly after Judge Bork left the Senate hearing Saturday, he received a telephone call from President Ronald Reagan, who commended him on his presentation and said calls to the White House were running 6 to 1 in his favor.

The final session Saturday was marked by a philosophical debate between the nominee and one of the uncommitted senators in whose hands his future lies.

For more than an hour, Senator Arlen Specter, Republican of Pennsylvania, engaged Judge Bork in a dialogue that ranged over many issues but focused on one that lies at the heart of the debate over Judge Bork's confirmation: his insistence that the intent of the



Robert H. Bork

framers is the only valid guide in interpreting the Constitution. The senator pressed Judge Bork repeatedly to acknowledge that the matter was perhaps not quite that simple, that the framers' intent was not always clear and that, in the end, a judge had to rely on a vision of "the needs of the nation."

Mr. Specter, 57, a Yale Law School graduate who spent much of the summer studying Judge Bork's record, and the judge, 60, a former Yale Law School professor who spent a grueling five days de-

fending it, engaged in an intellectual fencing match on an order rarely seen in such a forum. Both men seemed to enjoy the experience.

Judge Bork conceded that intent was "a principle whose contours are not clear cut" and that judges who apply it faithfully will nonetheless "in borderline cases often come out differently."

"Then why is the doctrine of original intent sacrosanct?" Mr. Specter asked. "Does that definition really advance the definition of constitutional values?"

Finally, Judge Bork signaled a truce. "Senator, you're making a very powerful argument from a very strong tradition," he said. "What I'm saying is also from a very strong tradition."

Last summer, when the Judiciary Committee was considering the nominations of William H. Rehnquist as chief justice and Antonin Scalia as associate justice, Mr. Specter expressed his anger with both nominees for declining to answer nearly all the committee's questions about their constitutional views on the ground that the issues might come before the court.

By contrast, Judge Bork answered nearly every question from every senator. Mr. Specter proclaimed their dialogue "unique" and told the judge, "I think this will set a pattern for the future, and a

very good one for the benefit of the country."

Nonetheless, he also told Judge Bork that he had not yet decided whether he would vote to confirm him. The committee's vote is expected early next month.

Mr. Specter said he was still concerned about what he called "significant shifts" between views Judge Bork had expressed for years on some important constitutional issues and the positions he took before the committee.

As an example, Mr. Specter said that Judge Bork's testimony before the committee that the 14th Amendment's equal protection guarantee applied to women was "materially different" from his writings, which held that it did not. "We search for predictability," Mr. Specter said. "The question of what risk is involved, the risk to the Constitution and the risk to the court, that's what's involved."

Cuomo Visiting Soviet Union

MOSCOW — Governor Mario M. Cuomo of New York arrived in Moscow on Sunday on a weeklong visit to meet various Soviet officials and scholars, the Tass press agency reported. Mr. Cuomo will visit ministries and Moscow University as well as making a trip to Leningrad.

PHILIPS POCKET MEMO advertisement featuring a pocket memo device and a coupon for more information. Includes the text 'YOUR ELECTRONIC NOTEBOOK' and 'THE WORLD'S NO. 1 IN DICTATION'.

Disillusioned, First-Term U.S. Senator to Quit

The Associated Press RICHMOND, Virginia — Senator Paul S. Trible Jr. has announced that he will not seek a second term next year, saying that "much of the important work of the nation doesn't seem to get done" in the Senate.

Mr. Trible, 40, a Republican, made the announcement Saturday in a commercial distributed to 21 Virginia television stations. In it, he also cited his desire to spend more time with his family.

Many Virginia Democrats have urged former Governor Charles S. Robb to seek Mr. Trible's seat. Mr. Robb said last week that he would not make up his mind whether to run for the Senate until after the November elections.

Neither Mr. Trible nor his aides said what he planned to do when his term was completed, but the senator did not rule out a bid for another office, such as governor.

Mr. Trible has at least \$1.4 million in cash from a yearlong fund-raising effort.

"I'll seek other opportunities to



Paul S. Trible Jr.

make a difference in the life of our state and nation," he said.

Mr. Trible, elected in 1982 after serving three terms in the U.S. House of Representatives, said that in a recent two-month period he

was home for dinner only three times.

"I want to see more of my family," he said. "Our children have known no other life than the Congress."

Mr. Trible also said he was frustrated as a legislator.

"For all the Senate's greatness, much of the important work of the nation doesn't seem to get done," he said. "The committee hearings, debates, filibusters and roll call votes go on and on and on."

"Personally, I want to be better able to shape my day, set the agenda, do more for my family and for Virginia."

"I'll complete this term in office with energy and enthusiasm and then move on."

Mr. Trible scheduled a news conference for Monday to answer questions on his announcement; a spokesman said he would not comment further before then.

The Senate Republican leader, Bob Dole, said Mr. Trible's decision was "a real loss for the Senate and for the people of Virginia."

"Paul is one of the Republican

Party's most thoughtful and respected young members," Mr. Dole said. "And he's made an outstanding contribution to the Senate during his five years here."

Advertisement for raoul & curly, a shop for perfumes, cosmetics, leather goods, lighters, pens, and gifts. Includes a list of items like jewelry, shirts, ties, scarves, and watches.

SAAB advertisement with the slogan 'YOU CAN BUY A SAAB AT AN INTERNATIONAL PRICE.' Includes contact information for international sales and a coupon for more information.



Foreign Exchange and Deutsche Bank. Experience that gets the job done.

It requires a twenty-four hour global capability, a presence in every important foreign exchange center. It calls for fast, competitive and confidential quotes in any of the world's important currencies. It demands skillful risk management services, the ability to use forwards, options and other tools to hedge client positions. It calls for technique, and sometimes, innovation.

Deutsche Bank is a world leader in foreign exchange, because day in and day out, our experience gets the job done.

For foreign exchange, as well as other investment and commercial banking services, consider using the experience of one of the world's leading banks.

Contact the Deutsche Bank office nearest you.

Deutsche Bank

- List of Deutsche Bank offices: Deutsche Bank AG Head Office, London Branch, New York Branch, Tokyo Branch, etc.



# Soviet Eases Restraints On Jews and Weighs Amnesty for Dissidents

By David K. Shipler  
New York Times Service

WASHINGTON — Soviet officials have told the United States that several important regulations used to prevent Soviet Jews from emigrating were being eased, and that an amnesty was possible for some political and religious prisoners.

Richard Schifter, assistant secretary of state for human rights and humanitarian affairs, said that, in addition, "I was left with the impression that the abuse of psychiatry was being ended."

Mr. Schifter noted that Soviet authorities announced several weeks ago that psychiatric hospitals now under the jurisdiction of the Ministry of Internal Affairs, which is also in charge of the police, were being transferred to the Ministry of Health, where they may be used less for incarcerating dissidents.

Soviet authorities have long used psychiatric hospitals to imprison political dissidents, but Mr. Schifter said, "I was left with the feeling that that was really moving toward change."

Mr. Schifter said that Soviet officials had made no commitment to increase the rate of emigration by

Jews. Since April, about 800 Jews have been permitted to leave each month, more than during recent years but fewer than the 51,000 who left at the peak of emigration in 1979.

The issue has enormous political weight in Soviet-American relations.

It was raised last week by both President Ronald Reagan and Secretary State George P. Shultz during their talks in Washington with the Soviet foreign minister, Eduard A. Shevardnadze.

Detailed discussions were held by a special Soviet-American working group on human rights, led by Mr. Schifter and Yuri Kestner, a deputy director of the Soviet Foreign Ministry's department of humanitarian and cultural affairs.

Mr. Schifter and others in the State Department regard the Soviet steps as part of a mixed picture.

"You can see both the movement and the limits of the movement," said Mr. Schifter, who said he did not believe that Mr. Gorbachev was engaged in a revolution of democratization.

"They're going to take certain steps that will significantly ameliorate conditions," he said, "without in any way changing the fundamental Leninist structure of the state."

For example, Mr. Schifter reported, Soviet officials said that in their current revision of the criminal code, they were considering a repeal of Article 190-1 on "anti-Soviet defamation," which has often been used against dissidents. An amnesty might also be given those serving sentences under that law, he said.

But a harsher measure would stay on the books, Mr. Schifter said. This is Article 70, providing a maximum sentence of seven years in prison and five in exile for "anti-Soviet agitation and propaganda."

"The impression we were left with is that they are going to relax on the code sections which make it a crime to engage in unauthorized religious activity," Mr. Schifter said. "They may amend the criminal code and may grant amnesty to people convicted under these sections."

# U.S. Missiles to Be Junked Cost \$9 Billion to Deploy

WASHINGTON — The United States spent nearly \$9 billion designing, building and deploying the nuclear missiles that would be scrapped under the terms of an arms limitation treaty with the Soviet Union.

William Arkin, who compiles nuclear weapons data for the private Natural Resources Defense Council in Washington, detailed the costs in a note for the October issue of the Bulletin of the Atomic Scientists. He said the Pentagon had spent \$3.45 billion on the ground-launched cruise missiles that would be dismantled and \$2.46 billion on the Pershing-2 missile, excluding the costs of the nuclear warheads.

The Department of Energy has spent more than \$1 billion for approximately 465 cruise-missile warheads and \$350 million for about 120 maneuvering re-entry vehicles and nuclear warheads used by the Pershing-2. The United States spent \$628 million for six cruise-missile bases and five Pershing bases. Training and other expenses probably push the total costs above \$9 billion.

# Restrictions on Pretoria Formalized by Israel

Jerusalem — The Israeli cabinet formally announced on Sunday new restrictions on trade and cultural relations with South Africa, including a decision to freeze iron and steel imports at current levels, prohibit the sale of oil to South Africa and bar visits by government officials.

Although the 10-member inner cabinet approved the package of sanctions on Wednesday, the formal cabinet session was delayed until after the meeting Sunday of the full cabinet.

Topping the list of new sanctions is a decision to bar new investments in South Africa, prohibit the granting of government loans, bar the sale and transfer of oil and oil products, and prohibit import of Kruggerands.

Nothing in the list, however, curtails other general trade with South Africa, or adds to the decision in March not to renew military contracts with that country. Last year Israel imported \$181.1 million worth of goods from South Africa, and exported \$54.8 million.

The list includes a pledge to take "all necessary steps" to prevent Israel from becoming a way station for South African goods.

In addition, no new scientific agreements will be signed with South Africa, and the Ministry of Tourism will not support the promotion of tourism to South Africa.

# Hungarian Assembly Approves Tax Plans

BUDAPEST — Hungary's National Assembly has passed personal income tax and value-added tax bills, both part of a government program to improve the Communist country's faltering economy.

The 385-seat National Assembly passed the income tax bill on Saturday with only 10 votes against and 21 abstentions. The bill on the East bloc's first value-added tax also was approved Saturday, with one vote against and three abstentions.

The income tax bill calls for rates of 20 to 60 percent. The value-added tax will add as much as 25 percent to prices of a wide range of goods. Previously, most tax revenue was generated by heavy taxes on major companies, which then had no investment capital left for modernization or expansion.

Prime Minister Karoly Grosz, in a news conference Friday, called the final tax bill a "compromise."

# PACT: Strategic Arms

(Continued from Page 1)

er the United States would defend Europe in case of a crisis.

On Friday, the same day the INF agreement was announced, the Pentagon unveiled plans to step up research into Mr. Reagan's Strategic Defense Initiative.

The Soviet Foreign Ministry spokesman, Gennadi I. Gerasimov, said on "Meet the Press" that such an action would not help talks on reducing long-range missiles.

Mr. Carlucci said the SDI tests referred to by the Pentagon had been scheduled for some time and he insisted that the administration had no plans to slow work on SDI.

"We intend to develop it as rapidly as we can and deploy it when it is ready," he said. "Until we negotiate a strategic arms agreement there's absolutely no reason why we shouldn't proceed with the tests and even after we negotiate one, it is still our intention to go forward with the SDI program."

(Reuters, IPT, AP)

# U.K.-French Reaction

Britain's foreign secretary, Sir Geoffrey Howe, said Sunday that Britain and France would continue to modernize their nuclear forces despite the proposed U.S.-Soviet accord to eliminate intermediate-range missiles, United Press International reported from London.

"We have to maintain our effective defense and security and keep our guard up," Sir Geoffrey said on the "Weekend World" television show.

"The position of the United Kingdom and France has been made very clear many times," he said. "On this there is no change. We need to maintain and modernize our nuclear deterrents."



Sam Nunn

# TAIWAN: Travel Ban to End

(Continued from Page 1)

ional Red Cross to help arrange visits to the mainland.

In China, the Communist Party press has welcomed reports that Taiwan would end the travel ban, but the magazine Beijing Review called for much stronger measures intended to bring reunification of the two sides.

Mr. Shaw and another senior official said the lifting of the travel ban did not mean an end to Taiwan's longstanding ban against contact, negotiation or compromise with the government in Beijing, which is still viewed, Mr. Shaw said, as an enemy.

But many analysts in the Taiwan press and universities have interpreted the lifting of the travel ban as part of a broader opening to China. Some said it could even be the beginning of a process that could lead, once the current generation of leaders on both sides has departed, to an accommodation between Taipei and Beijing.

Some analysts said the projected family reunions could easily expand into other areas such as sight-seeing and scholarly exchanges.

They also said the visits could lead to substantial growth in the indirect trade between Taiwan and the mainland. Western analysts in Hong Kong said the value of this two-way trade, which passes mostly through Hong Kong, had reached nearly \$2 billion a year.

The pressure for change has come from middle-class legislators, who want more pragmatic policies; from businessmen, who seek more trade with China, and from Nationalist Army veterans, who have long wanted to return to the mainland to see the relatives they left behind at the end of the civil war between the Nationalists and the Communists.

The government does not sanction journalistic trips to the mainland, but two reporters flew to China last week in anticipation of the lifting of the travel ban. A government official said the two would be punished, but no one expects the punishment to be severe.

The decision, which has been signaled by several government statements, has already caused many people to begin planning trips to China. A tourist agency said it had been able to arrange a one-week trip for \$1,000.

A local television manufacturer announced that he would introduce a new line of inexpensive color sets for travelers to take to their relatives in China.

# U.S. Renews Screening For Visas in Vietnam

By Barbara Crossette  
New York Times Service

BANGKOK — U.S. consular and immigration officials, working in Vietnam for the first time since Hanoi unified the country under Communist rule in 1975, have resumed screening Vietnamese applicants for American resettlement under the Orderly Departure Program.

The screening, which began last week after a long freeze, was resumed after the United States agreed in August to discuss Vietnam's postwar humanitarian needs and the Vietnamese plea to speed up the resolution of cases of Americans missing in action.

Diplomats in Bangkok said the U.S. move indicated that relations between the two countries could improve substantially under the new leader of Vietnam's Communist Party, Nguyen Van Linh.

Disagreements among local and national party leaders over whether to proceed with legal emigration were thought to have caused a freeze in the departure interviews from January 1986 until last week. More than 1,000 Vietnamese



Portrait of a man

# POPE: A Visit to Canadian Indians

(Continued from Page 1)

depicted the issue as the most important test of the identity of the United States as a free nation.

Earlier in the day, in a speech on social justice, the pope explored the United States' international role and responsibilities. He warned that the nation could not solve its problems unless it helped the world achieve peace and prosperity.

As has happened repeatedly on this trip, the crowds that came to see him Saturday were a fraction of what had been expected. Detroit police said only about 30,000 people went to Hamtramck, a Polish enclave within the city of Detroit, to hear the pope land the heritage of Polish-Americans. Preparations had been made for 10 times as many people.

Saturday morning, surrounded by the high-rise towers of central Detroit, John Paul laid down a forceful challenge.

"Dear friends," he said, "America is a very powerful country. The amount and quality of your achievements are staggering. By virtue of your unique positions, as citizens of this nation, you are placed before a choice and you must choose."

He said his audience could either "close in on yourselves and enjoy the fruits of your own form of progress and try to forget about the rest of the world" or "choose to live up to your responsibilities that your own history and accomplishments place on your shoulders."

Since arriving in the United States, the pope has emphasized the nation's duty to fulfill the responsibilities that accompany its wealth and power. On Saturday, however, he stressed the argument as a matter of self-interest, and used the language of a diplomat or a business school professor as well as that of a priest.

The speech had been described in advance by Vatican officials as one of the most important of the trip. But it broke no significant new ground in the well-developed social doctrine of the church. A U.S. clergyman expressed disappointment over the degree to which the speech repeated familiar themes.

A church official traveling with the pope, who asked not to be identified, said the speech had been one of the last to be completed and was difficult to write. Much of the text was drawn from a speech the pope had intended to deliver to the United Nations General Assembly before a stop in New York was ruled out for logistical reasons, the official said.

# MANILA: Leftist Slain

(Continued from Page 1)

tal war policy" against leftist rebels.

A member of Mr. Alejandro's group, Joe Castro, said, "We hold the Aquino regime responsible for this heinous crime."

The Bayang group was one of the organizers of a large rally in November after the killing of another leftist leader, Rolando Olalia, chairman of a radical labor union. That killing came shortly before a coup attempt by the same officers who staged the rebellion last month.

Some supporters of the most recent uprising have suggested that its leaders, who are in hiding, might adopt urban guerrilla warfare.

The killing of Mr. Alejandro came shortly after the armed forces chief of staff, General Fidel V. Ramos, concluded a staff conference at which he said he discussed the possibility that rightist or leftist groups would try to further destabilize the government.

He said he had intelligence reports that extremist groups might try to disrupt the protest actions Monday with violence.

# PLANE: Concorde, Once a Pariah, Is Now a Success

(Continued from Page 1)

yet be no more expensive to operate than Aerospatiale's 310 series Airbus now in operation.

"We have drawn up the plans," he said. "There are no major outstanding technological problems to be solved."

But given present market conditions, the plans for the so-called Avion de Transport Supersonique Futur are likely to remain locked in Aerospatiale's safe. The existing Concorde's are scheduled to remain in service for many more years, and there is difficulty in finding enough work even for them because the problem of sonic booms means they are restricted to trans-Atlantic routes at supersonic speed.

Instead, designers on both sides of the Atlantic are looking beyond the supersonic generation to a new breed of global hypersonic aircraft that would have enough range and speed to link major population centers in America, Europe and Asia within a couple of hours.

The Orient Express concept being explored by the National Aeronautics and Space Administration and the Defense Department, for example, could cut flight time from Washington to Tokyo from 13 hours to perhaps two.

In the early 1980s, a British parliamentary committee condemned the Concorde as "a modern Frankenstein's monster," and Air France and British Airways groaned under the cost of operating the fuel-guzzling aircraft. There was serious talk of sending them to the scrap heap.

Today, both airlines report healthy operational profits on the Concorde without taking into account the more than \$2 billion development cost of the aircraft, or the cost of building it.

"It is our flagship," a British Airways spokesman said, "and we are very proud of it."

Just as the oil-price shock of 1973 and subsequent increases came close to suffling the Concorde service at birth, so has the relative decline in the price of aviation fuel over the last few years contributed to the aircraft's new-found commercial attractiveness.

About 130,000 passengers last year paid first-class fare plus a premium for the benefit of having their travel time across the Atlantic to about three and a half hours and arriving earlier than they departed on the westward journey.

"Concorde turns a long-haul flight into medium-haul," said Ken Cook, the public relations director for British Airways.

British Airways is about to celebrate a doable anniversary for the aircraft — the 10th anniversary of the opening of its Concorde service to New York and its millionth faster-than-sound passenger across the Atlantic. The airline, which operates a fleet of seven Concorde, flies the aircraft twice daily to New York and three times a week to Washington and Miami, and it is planning to open a winter-only route to Barbados. In addition, it operates a busy Concorde charter program.

"We envisage using the present Concorde certainly for the rest of this century and into the next," Mr. Cook said.

A spokesman for Air France said the company had no plans to introduce a second-generation supersonic airliner. Having dropped out of long-maturing routes from Paris to Rio de Janeiro and Caracas, Air France now operates only a daily scheduled service to New York and otherwise keeps its six Concorde busy by promoting luxurious charter flights, of which it operated 126 last year.

Air France reported a profit of 19 million francs (\$3.3 million) on its Concorde operation last year. British Airways does not have a separate breakdown of Concorde's financial performance, but Mr. Cook said: "It is a popular aircraft and always busy on scheduled services. It flies very full to New York, slightly less so to Washington and Miami."

Aerospatiale and British Aerospace originally envisaged a market for up to 300 Concorde aircraft and ended up producing only 20, including two prototypes and five that are out of service and used for spare parts. What the planners did not envisage was the increase in fuel costs, the runway development costs, and the widespread political opposition aroused by concerns about possible environmental damage and noise pollution.

Spokesmen for both Aerospatiale and British Aerospace say the technological problems involved in producing a hypersonic aircraft would have to be solved in collaboration between European and American — and possibly also Japanese — manufacturers.

Lou Harrington, senior vice president of McDonnell Douglas, the U.S. aircraft corporation, agrees. He said at the Paris air show this year that a hypersonic passenger plane, costing up to \$20 billion, could not be built by any one country.

French, British and American engineers are following different lines of research. The Orient Express project envisaged a near-space aircraft, fueled with liquid hydrogen.

The British Aerospace Hotel project — Hotel stands for horizontal takeoff and landing — is primarily envisaged as a reusable space shuttle. A spokesman, Howard Berry, said the concept could also be developed into a passenger craft that would fly people halfway around the world in little more than an hour.

"We are keeping abreast of the technology that would be needed to launch a supersonic aircraft if all the conditions are right," he said.

The French Avion a Grande Vitesse was developed as a 300-ton plane capable of carrying 150 passengers up to 7,500 miles (12,000 kilometers) at five times the speed of sound in the upper atmosphere. Mr. Marquize said the Concorde had shown the importance of designing an aircraft that would make passengers feel at ease, could integrate with existing fleets, and operate from conventional airports.

The fuselage and wingtip delta wings of the envisaged plane would be lined with tanks holding supercooled liquid methane fuel that would serve the additional function of regulating the aircraft's outer skin to a temperature of 600 degrees Celsius (1112 degrees Fahrenheit), six times the temperature reached by Concorde when flying twice the speed of sound.

Whereas a "super-Concorde" could be built with existing materials and technologies, Mr. Marquize-Pouey said, "the AGV project is full of technological risks."

"Nevertheless," he said, "a launch date of 2020 is possible."

# Plot to Assassinate Irish Leader Cited

DUBLIN — Police are investigating a reported plot by Protestant extremists from Northern Ireland to assassinate Prime Minister Charles Haughey of Ireland and set off a wave of bombings in Dublin, a police spokesman said Sunday.

He said no arrests had been made in connection with the alleged plot, which was reported by the Sunday World newspaper. Mr. Haughey was to appear later Sunday at the national Gaelic football final in Dublin.


The paper, citing sources within the Ulster Defense Association, the largest Protestant paramilitary organization in Northern Ireland, said a former British soldier from Scotland was hired as the assassin.



**Swiss Bank Corporation: The professional interface.**

**When the markets are racing to keep up with the news, the news can't keep up with the markets.**

The financial markets never stop, and the pace in foreign exchange can get dramatic. With information flooding in at electronic speeds, you need to sift out what's new and what's not, and what's relevant to you. You can't keep up with the whole world, but you can work with a partner who's in the markets constantly. A professional whose advice and timing you can rely on. Try us out in foreign exchange, and find out what we can do for your business wherever your business takes you.



**Swiss Bank Corporation**  
Schweizerischer Bankverein  
Société de Banque Suisse

**The key Swiss bank**

General Management in CH-4002 Basle, Aeschengplatz 6, and in CH-8022 Zurich, Paradeplatz 6. Over 200 offices throughout Switzerland. **Worldwide network** (branches, subsidiaries and representatives): **Europe:** Amsterdam, Edinburgh, Frankfurt, London, Luxembourg, Madrid, Manchester, Monte Carlo, Paris, **North America:** Atlanta, Calgary, Chicago, Dallas, Houston, Los Angeles, Montreal, New York, San Francisco, Toronto, Vancouver. **Latin America:** Bogota, Buenos Aires, Caracas, Lima, Mexico, Panama, Rio de Janeiro, São Paulo. **Caribbean:** Grand Cayman, Nassau. **Middle East:** Bahrain, Cairo, Tehran. **Africa:** Johannesburg. **Asia:** Hong Kong, Osaka, Singapore, Tokyo. **Australia:** Melbourne, Sydney.

Lintas Zürich SBV 1166/2

# QUAKE REMEMBERED

San Francisco section of a... anniversary of the earthquake

# Contras, in Ge...

countries... peace office... described as... the setting... deal with... other intere... the award... The part... disagreement... on track... Rodriguez... Costa Rica... med two le... Great Aris... can preside... peace agree... One of the... President... and the gen... appointed... Clinton G... oversee con... cord. In the... gated that... mediator... agreement... On Thur... Central Am...

# U.S. ...

WASHINGTON... General... White H... for Judge... U.S. app... the Presi... the nation's... after Judge... are as a full... according to... the episode... According... judge's ret... of Freedom... trade. Mr... trade was... The retire... man, 77, a... makes room... the closely... Court of Ap...

# U.S. Emperor Med Ailing

U.S. Emperor Hirohito... blocked intestine and... operation this... newspaper has... Emperor reported Sat... 86 years... year of his reign... plans to attend a... tournament on... and the reason was... that might re... Emperor. But they were... Asahi Shimbun... of the party... to make a long... to Okinawa next...



Renews Screening Visas in Vietnam

...the U.S. State Department has announced that it will renew the screening of visas for Vietnamese citizens...

PE: A Visit to Canadian

...from Page 1: The visit to the Canadian Parliament by the U.S. Secretary of State...

NILA: Main

...from Page 1: The main article discusses the political situation in Central America...

a Parish, Is Now a

...from Page 1: The article reports on the religious and social changes in a parish...



MEXICO QUAKE REMEMBERED — Residents of Mexico City's Tlalisco section at a memorial Mass on the second anniversary of the earthquake that hit the city in 1985.

Contras, in Gesture to Latin Peace Pact, Release 80

By Stephen Kinzer
MANAGUA — Anti-Sandinist guerrillas, backed by the United States, have released 80 prisoners in what they described as a gesture of support for the new Central American peace accord.

The meetings, which participants described as technical, resulted in the setting up of subcommittees to deal with refugee resettlement and other international issues raised by the accord.

Mr. Carrion also said he did not believe the accord required freedom for more than 2,000 jailed members of the deposed National Guard who have been held since the 1979 Sandinist takeover.

Mr. Carrion said he did not believe the accord required freedom for more than 2,000 jailed members of the deposed National Guard who have been held since the 1979 Sandinist takeover.

U.S. to Close 2 Embassies, 13 Consulates

By John M. Goshko
WASHINGTON — Secretary of State George P. Shultz, charging that Congress has "brutalized the foreign affairs budget," has announced the closing of two embassies in Africa as part of sweeping cost-cutting measures triggered by congressional budget cuts.

The sources said such cutbacks would sharply decrease opportunities for promotion into the senior ranks and were certain to create a severe erosion of morale in the Foreign Service, whose members already are unhappy with a rigid, new promotion system and the Reagan administration's choice of political appointees for many ambassadorships and senior policy positions.

The department estimates that it needs \$1.7 billion to operate at present levels in fiscal 1988. But Ronald I. Spiers, undersecretary for management, said it anticipates getting only \$1.6 billion.

er the embassy in Canada would rather lose Quebec or Calgary, and so forth.

U.S. Judge's Coveted Medal Disputed

WASHINGTON — Attorney General Edwin Meese 3d and several White House officials arranged for Judge Irving R. Kaufman of the U.S. appeals court to be awarded the Presidential Medal of Freedom, the nation's highest civilian honor, after Judge Kaufman agreed to retire as a full member of the court, according to sources familiar with the episode.

The Reagan administration plans to nominate Stuart Summit, a former law partner of Deputy Attorney General Arnold I. Burg, to fill the vacancy, according to sources.

As a trial court judge, Judge Kaufman ordered the execution in 1971 of the convicted Soviet spies, Julius and Ethel Rosenberg, and is known for his liberal rulings on freedom of speech, civil rights, prisoners' rights, environmental protection and other issues.

Warren E. Burger, a former chief justice of the United States, will receive the medal at the same time, on Oct. 7.

Advertisement for Cardhu Highland Single Malt Whisky, featuring a bottle and the text 'Share the secrets of Cardhu. Cardhu. 12 year old Highland Single Malt Whisky from the House of Johnnie Walker.'

OIL & MONEY THE CHALLENGE OF THE 1990's

THE EIGHTH ANNUAL INTERNATIONAL HERALD TRIBUNE/OIL DAILY CONFERENCE, LONDON OCTOBER 22-23, 1987

THE program is designed to assist senior executives in the petroleum industry and related fields to determine their business strategies into the 1990's.

- October 22: UNITED STATES ENERGY POLICY, CHALLENGE OF THE 1990's: A CORPORATE VIEW, THE EUROPEAN OUTLOOK, THE PACIFIC OUTLOOK, LUNCH, THE OUTLOOK FOR THE UNITED KINGDOM'S PETROLEUM INDUSTRY.

REGISTRATION INFORMATION: The fee is £595 (plus VAT @ 15% £694.25) total £684.25... CONFERENCE LOCATION: Royal Garden Hotel, Kensington High Street, LONDON W8 4PT.

Japan's Emperor Reported Ailing

TOKYO — Emperor Hirohito has a partly blocked intestine and may require an operation this week, a Japanese newspaper has reported.

Advertisement for Dunhill Millennium watch, featuring a close-up of the watch face and the text 'QUALITY CRAFTSMANSHIP AND STYLE. THE DUNHILL MILLENNIUM. ALFRED DUNHILL LIMITED'.



INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

Toward a Steady Course

It took the Soviet Union six years to find a stable leadership and Ronald Reagan just as long to shed some of his prejudices about dealing with the "Evil Empire"...

bombers "within the framework of the Geneva and Nuclear Space Talks." Administration officials say this indicates that Moscow may be ready to make a deal on offensive arms without limits on space-based defenses...

For the American Far Right, Black Is Red

By Anthony Lewis

BOSTON — The Citizens for Reagan movement is urging its 100,000 members to boycott Home Box Office, the cable television service, in protest against an HBO program...

Moral Majority and the Liberty Federation will be urging all of their supporters to boycott the use of HBO for the month of September.

"This desire for reconciliation across the divide of color..." "That desire for good will was palpable," the report said.

scenes of South African government drafting legislation to define opposition to apartheid as "communism."

Terrorism Is Unwanted For Now

By Jim Hoagland

DAMASCUS — International terrorism is out of vogue here in the Syrian capital, somewhat in the way long hair is disappearing in Paris...

From Here On, Aquino Will Need to Show Results

By A. Lin Neumann

MANILA — The aftermath of the late August military led by Colonel Gregorio Honasan has pointed up the depth of President Corason Aquino's military deeply alienated from the presidential palace...

change. Now, with her experiment in military democracy at stake, the cabinet is likely to address the government crisis with tools associated with previous regimes...

government has shown meaning political wisdom. If the president can weather the alienation of her orphaned left wing, it may not be enough simply to put a conservative cabinet in place.

And Colonel Honasan's brand of messianic military idealism may not be easily bought off with a cabinet reshuffle.

Advice From the IMF

If the United States were Togo or some other Third World debtor, experts from the International Monetary Fund would be looking President Reagan square in the eye and telling him to get the budget in shape or forfeit outside aid.

incurs mounting obligations to pay them interest and dividends. The United States has become the world's largest debtor.

Reagan Owes Kohl Help With Deutschlandpolitik

By Robert C. Livingston

WASHINGTON — Chancellor Helmut Kohl can pride himself on the outcome of his meetings with Erich Honecker, the East German leader.

Washington should pay Kohl's price willingly.

total could reach 3.2 million this year. A few weeks ago, East Germany announced most of its prisoners.

Washington should pay Mr. Kohl's price willingly. It should welcome his aim to substitute cooperation for confrontation in the heart of Europe.

Other Comment

Is the Cold War Over at Last?

Is the Cold War over at last? It may be, to judge by the historic success of the arms control talks in Washington.

accentuate the weight of the overwhelming Soviet supremacy on our continent in conventional arms and will make us ever more dependent on a U.S. "strategic umbrella."

The War on Drugs Is Pending, Pending

By A.M. Rosenthal

NEW YORK — In Philadelphia, there were speeches and the ringing of bells. In Chicago, a concert before the baseball game at Comiskey Park.

To jog the memory, a bill that would give substance and direction to the "war" has been pending in the Senate Judiciary Committee...

Law enforcement goals of stopping drugs at the source, in the countries in which they are being grown, often collide with diplomatic and political goals of keeping America's drug-growing allies from becoming too hostile toward us.

Washington should pay Mr. Kohl's price willingly. It should welcome his aim to substitute cooperation for confrontation in the heart of Europe.

INTERNATIONAL HERALD TRIBUNE JOHN HAY WHITNEY, Chairman 1958-1982 KATHARINE GRAHAM, WILLIAM S. FALEY, ARTHUR OCHS SULZBERGER Co-Chairman

IN OUR PAGES, 75 AND 50 YEARS AGO

1912: Aerial Mishaps LONDON — The army airship Gamma met with disaster after yesterday morning (Sept. 20) near Devizes in Wiltshire.

Iran To UN Security Council To Force... ROBO... Many... The War on Drugs... The West will find itself in 1988 with a new rise in such actions.



# Iran Trying to Persuade UN Security Council To Forgo Sanctions

By Youssef M. Ibrahim  
New York Times Service

**NEW YORK** — As the bloody conflict in the Gulf enters its eighth year, Iran is moving to halt an effort to impose international sanctions if it does not heed the United Nations Security Council's call for a cease-fire with Iraq.

Iran hopes to deflect the push for sanctions, which the United States championed, by dissuading other members of the council, especially the Soviet Union and China, from participating, according to Iranian officials and independent experts.

But interviews with these sources suggest that Iran's objective is not to end the war. While U.S. officials concede that the Iranians are softening their tone, they say they would be astonished if Iran accepted a cease-fire.

To press Iran's case, President Ali Khamenei, one of the four highest-ranking Iranian leaders, will address the United Nations on Tuesday, the first visit to the United States by a senior Iranian official since the fall of the shah in 1979.

Iran also wants to make its point that Iraq invaded on Sept. 22, 1980, to topple the Iranian revolutionary government. Baghdad dates the conflict from Sept. 4, 1980, when Iran shelled the border.

According to Iranian officials, Mr. Khamenei will begin a campaign to show what an Iranian official described as the "human face of Iran," emphasizing that his country is a victim in a war that destroyed cities, killed and maimed hundreds of thousands and made many more Iranians refugees.

Iranian officials say Tehran has been careful not to attack naval vessels of Western powers and has toned down its often-repeated demands for the overthrow of the Iraqi president, Saddam Hussein. Among other efforts, the Iranian president, who is ordinarily a severe hard-liner, will meet with U.S. press representatives privately and publicly and appear on television news shows in the United States.

But the Iranians say they cannot end the war with Iraq, mainly because of domestic pressures. Iranian officials and independent experts say that a "war lobby" in Iran makes it hard for the country's leadership to turn abruptly to peace.

rule Iraq. In addition, it may leave Iraq, and its close Arab allies such as Saudi Arabia and Kuwait, open to demands for billions of dollars of reparations by Iran, said a former Iraqi minister who asked not to be identified.

Many Iranian officials and U.S. experts say the United States is also championing the sanctions effort partly for political reasons. They say the administration of President Ronald Reagan is seeking punishment of Iran because it perceives that such a move would be widely approved by Americans and by pro-U.S. governments in the Gulf.

U.S. officials cited the closure of the Abu Nidhal office as the primary factor in the decision to return Ambassador William L. Eagleston Jr. to his post in Damascus on Sept. 2 and to remove barriers to U.S. oil companies operating in Syria.

Washington imposed these sanctions last autumn after Britain formally named Syrian officials who, according to the British, had helped stage an unsuccessful attempt to plant a bomb aboard an El Al airliner at London's Heathrow Airport. Britain broke diplomatic ties with Damascus as a result of this incident.

Disputes over terrorism, U.S. support for Israel and Syria's role in Lebanon have kept tensions high between Washington and Damascus for nearly four years. They exploded into military action in 1983 when two U.S. fighter-bombers attacking Syrian positions in Lebanon were shot down and a U.S. Navy frigate taken prisoner by Syria.

The U.S. bombing of Libya in April 1986, and the increasingly pointed accusations leveled by the United States and Israel about Syrian involvement in terrorism at the same time, produced a new crisis that continued until this spring, when U.S. officials said they became convinced that Mr. Assad had moved decisively to prevent Syria being used as a planning or staging ground for terror operations.

Mr. Assad's remarks were interpreted by a palace official from Arabic into English. The removal of the most important U.S. sanctions also coincides with Syria's hosting this month of the Mediterranean Olympic Games in the port city of Latakia, where the Syrian leader spent most of last week.

Mr. Assad's mood Saturday was buoyant. His confident demeanor was that of a leader who has re-established unchallenged political authority at home and now broken out of diplomatic isolation abroad. He also optimistically predicted that Syria was gradually overcoming the severe economic problems of recent years with the help of new petroleum, diamond and other mineral discoveries.

An air force general when he and other military officers seized power in 1970, Mr. Assad has imposed a strong grip on the once turbulent country, using multiple internal intelligence agencies and dividing the power of his military commanders to prevent the kind of intrigues that toppled his predecessors.

# New Caledonia's Future: The Referendum 'Settled Nothing'

Dominique Moisi, deputy director of the French Institute of International Relations, is an independent analyst and diplomatic commentator. Talking with Joseph Fitchett, the IHT's political correspondent, he analyzed the outlook for New Caledonia, the French territory in the Pacific, after voters there rejected independence in a referendum earlier this month. On a visit there Thursday, Prime Minister Jacques Chirac announced new measures of autonomy for the island territory.

Q. Did the referendum settle New Caledonia's future? Will it end local unrest and silence Pacific nations' criticism of France's policy there?  
A. It settled nothing. The French government is emphasizing that that democracy and legality were respected, but the vote is irrelevant to the crux of the problem—the indigenous Melanesian minority's feeling of injustice. So actually the

vote and its outcome may end up complicating matters.  
Q. Doesn't the outcome—57 percent of the electorate opposed to independence—provide a clear-cut picture of what New Caledonians want?  
A. Not really. New Caledonia will get more local self-government, but the

with charges from Australia, New Zealand and even Japan?  
A. No, it's neo-colonialism. Neo-colonialism because the settlers outnumber the native community instead of being vastly outnumbered the way they were, say, in Algeria. But it resembles a classic colonial situation in the sense that there are systematic inequalities—in power, property, education—between the indigenous Melanesians and the settlers, who include both Europeans and Vietnamese immigrants. The situation will fester until this problem is tackled seriously.  
Q. Why did the Chirac government pursue the referendum approach?  
A. Largely for domestic political reasons. Chirac wanted to score points against the previous Socialist government, showing up its fumbling attempts to get all sides to agree on a compromise formula in New Caledonia. It was a safe

political gambit because the outcome of the voting was a near certainty since the Melanesians are in the minority. Chirac is playing on French chauvinist feelings, hoping that his success in New Caledonia will add some luster to his image in France six months before the presidential elections.  
Q. Are you saying that France should have made New Caledonia independent?  
A. Not at all. The government is right in contending that France needs to maintain a presence in New Caledonia. But its approach runs the risk of producing the diametrically opposite outcome, exposing the French presence to growing criticism and pressure. France didn't need such a high profile, the French could remain present in subtler ways. France has maintained a major military presence in Djibouti, which is now an independent nation. France needs Pacific bases to

protect its nuclear testing there. But one of the most dangerous threats to that nuclear program comes precisely from accusations of French neo-colonialism in New Caledonia.  
Q. Don't you think the referendum strengthens France's ability to crack down, legitimately, on agitation in New Caledonia?  
A. Undoubtedly. And I'm convinced France has the ability to keep the lid firmly on New Caledonia for a while. The question is, for how long? At what cost? Inevitably, charges of neo-colonialism are being amalgamated with the resentment in the Pacific against France's nuclear tests. Even the United States, which has been discreetly supportive of France, will eventually be influenced by the chorus of criticism. The referendum, at best, has only postponed the problem. At worst, it may boomerang against France.

## MONDAY Q&A

# ASSAD: Syrian Leader's Conciliatory Tone Ends a Period of Diplomatic Confrontation With the U.S. Over Mideast Terrorism

(Continued from Page 1)

he said. He did not detail those reasons.

U.S. officials cited the closure of the Abu Nidhal office as the primary factor in the decision to return Ambassador William L. Eagleston Jr. to his post in Damascus on Sept. 2 and to remove barriers to U.S. oil companies operating in Syria.

Washington imposed these sanctions last autumn after Britain formally named Syrian officials who, according to the British, had helped stage an unsuccessful attempt to plant a bomb aboard an El Al airliner at London's Heathrow Airport. Britain broke diplomatic ties with Damascus as a result of this incident.

Disputes over terrorism, U.S. support for Israel and Syria's role in Lebanon have kept tensions high between Washington and Damascus for nearly four years. They exploded into military action in 1983 when two U.S. fighter-bombers attacking Syrian positions in Lebanon were shot down and a U.S. Navy frigate taken prisoner by Syria.

The U.S. bombing of Libya in April 1986, and the increasingly pointed accusations leveled by the United States and Israel about Syrian involvement in terrorism at the same time, produced a new crisis that continued until this spring, when U.S. officials said they became convinced that Mr. Assad had moved decisively to prevent Syria being used as a planning or staging ground for terror operations.

Mr. Assad's remarks were interpreted by a palace official from Arabic into English. The removal of the most important U.S. sanctions also coincides with Syria's hosting this month of the Mediterranean Olympic Games in the port city of Latakia, where the Syrian leader spent most of last week.

Mr. Assad's mood Saturday was buoyant. His confident demeanor was that of a leader who has re-established unchallenged political authority at home and now broken out of diplomatic isolation abroad. He also optimistically predicted that Syria was gradually overcoming the severe economic problems of recent years with the help of new petroleum, diamond and other mineral discoveries.

An air force general when he and other military officers seized power in 1970, Mr. Assad has imposed a strong grip on the once turbulent country, using multiple internal intelligence agencies and dividing the power of his military commanders to prevent the kind of intrigues that toppled his predecessors.

tween the United States and Syria, he said.  
In the past, Mr. Assad has been an extremely harsh critic of any U.S. military presence in the region. But in answering questions Saturday about his reaction to the military buildup under way in the Gulf, he did not single the United States out for the kind of denunciations that have been voiced repeatedly by Iran.  
"The presence of the fleets in the Gulf creates additional dangers with unpredictable results," he said in response to one question, omitting the demands that the Soviet Union and Iran have made for the withdrawal of all U.S. warships from the Gulf as a way of reducing tensions.

But Mr. Assad predicted that "it will not be possible to reach any results through the use of power or pressures" on Iran. Instead, he said, "it is possible to reach results with Iran through friendly dialogue."  
Speaking about the lack of hostilities along the military lines of the Golan Heights and portions of southeastern Lebanon controlled by Syrian and Israeli forces, Mr. Assad indicated that he did not believe this represented a long-term change.  
"At present, we do not know what is going on in the minds of the Israelis," he said. "Israeli expansion, we believe, is a strategic goal, not a tactical one."  
He declined to discuss directly

whether changes in the Soviet Union's Middle East policies were affecting Syrian-Soviet relations. Under Mikhail S. Gorbachev, the Soviets have inaugurated a new political dialogue with Israel and emphasized that they will supply only defensive weapons to Syria.  
Mr. Assad insisted that Soviet shifts would not affect Syria's declared objective of obtaining "strategic parity," or matching Israel militarily, a goal that now appears increasingly distant to trained observers in Damascus.  
"Strategic parity should be achieved, and there is no change or rethinking of our attitude in this regard," Mr. Assad said. "Any country that desires a just peace in this region should view the strate-

gic parity that we are seeking as a fundamental, positive factor in achieving peace."  
The Syrian president expressed no opinion on the impact of the violent demonstrations that led to the deaths of at least 400 people in Mecca, Saudi Arabia, on July 31 other than to reaffirm Syria's opposition to calls in the Arab world to break relations with Iran.  
"After Mecca, some Arabs wanted to change relations with Iran and some changes were discussed," Mr. Assad said. He added, "It is against the interests of the Arabs to break relations with Iran."  
In Lebanon, a number of Western and Arab leaders see Mr. Assad's forces facing an increasing threat from Hezbollah, or Party of

God, the fundamentalist Shiite Muslim militia, which is aligned with Iran and resists Syrian authority. Mr. Assad indicated that the Iranian-inspired presence is only one part of his problem.  
"It is very difficult to ascribe responsibility for all the violence to Hezbollah," he said. "The responsibility of Hezbollah in internal violence is less than the others."  
Asked whether the 7,000 Syrian troops deployed to west Beirut last winter seek to contain Hezbollah in its stronghold inside Beirut's southern suburbs, Mr. Assad said such an idea was "unrealistic."  
"We are seeking to spread security in Lebanon through reconciliation," he said. "We are trying to have the civil war not return to the hot stage it was."

# "TOGETHER"

Europe has become a global community. To help it grow we have to get together. Because, together we can bring new qualities to our lives here in Europe. We can enjoy new ideas, new challenges and new life styles. So let's get to work on tomorrow, today.

Where possible, we find European sources for the materials we use in our products. Such as silicon polycrystal from Bavaria, considered by many to be the finest polycrystal in the world.

Already, we're co-operating in twelve European nations. We've established financial teams in London and Haarlem to raise financing in Europe for investment in Europe. And in communities where we do invest, we operate on the principle that our activities should pay dividends for the host community.

For years, we've involved ourselves in co-sponsoring various events in Europe. From classical concerts in London to Japanese sumo wrestling in Paris. And we even sponsor a team in the Tour de France.

Together we've also built manufacturing facilities in England, Germany and France. In locations that benefit both the community and our production plans. And we're also pleased to have increased our technical tie-ups with European partners in the areas of semiconductor research and product design.

We are a leading integrated electronics manufacturer. And all of the above examples embody our wish to bring new qualities to our lives. Not merely by selling our products, but by making real contributions to our communities and our daily lives.

From a manufacturing facility in Brittany to an art exhibition in London, our wish is to bring new qualities to the lives of people all over Europe.

And with your help, that isn't just wishful thinking.

## Reprisals Threatened In FBI Arrest

**BEIRUT** — A clandestine group threatened Sunday to strike at American interests if the United States does not release a suspected Lebanese Moslem hijacker arrested last week by FBI agents, the Christian Voice of Lebanon radio station said.

In a telephone call to the station, an anonymous caller speaking on behalf of the unknown group "threatened to strike at American interests if the American government does not release the continuing detention of Fawaz Younis."

## Euromarts At A Glance

Eurobond Yields		Sept. 18	Sept. 19
U.S. & Int'l Govt, 5 yrs & over	10.25	10.25	9.97
public finance, 5 yrs & over	9.85	9.85	9.57
other finance, 5 yrs & over	9.39	9.39	9.11
Govt, 1 to 3 yrs	10.51	10.51	10.23
private, 1 to 3 yrs	10.54	10.54	10.26
Govt, 3 yrs & over	8.75	8.75	8.47
private, 3 yrs & over	8.28	8.28	8.00
Govt, 5 to 7 yrs	10.59	10.59	10.31
private, 5 to 7 yrs	10.54	10.54	10.26
Govt, 7 yrs & over	10.38	10.38	10.10
private, 7 yrs & over	10.33	10.33	10.05
Govt, 10 yrs & over	10.37	10.37	10.09
private, 10 yrs & over	10.32	10.32	10.04

Weekly Sales		Sept. 18	Sept. 19
U.S. & Int'l Govt	288.20	287.20	286.20
U.S. Govt	108.20	107.20	106.20
U.S. Govt	180.00	180.00	180.00
U.S. Govt	65.20	65.20	65.20
U.S. Govt	1.80	1.80	1.80
U.S. Govt	1.80	1.80	1.80

In Touch with Tomorrow  
**TOSHIBA**  
TOSHIBA CORPORATION



Weekly International Bond Prices

Provided by Credit Suisse First Boston Securities, London, Tel: 01-623-1277. Prices may vary according to market conditions and other factors.

Dollar Straights

Table of Dollar Straights bond prices, including columns for Issuer, Con, Mat Price, Yld, and various bond types like Australia, Canada, France, Japan, etc.

United States

Table of United States bond prices, including columns for Issuer, Con, Mat Price, Yld, and various US government and corporate bonds.

DM Straights

Table of DM Straights bond prices, including columns for Issuer, Con, Mat Price, Yld, and various German bonds.

DM Zero Coupons

Table of DM Zero Coupons bond prices, including columns for Issuer, Con, Mat Price, Yld, and various German zero-coupon bonds.

ECU Straights

Table of ECU Straights bond prices, including columns for Issuer, Con, Mat Price, Yld, and various ECU-denominated bonds.

Treasury Bonds

Table of Treasury Bonds, including columns for Maturity, Bid, Ask, Yld, and various US Treasury securities.

NYSE Most Actives

Table of NYSE Most Actives, listing top trading stocks with columns for Vol, High, Low, Last, and Change.

AMEX Most Actives

Table of AMEX Most Actives, listing top trading stocks on the American Stock Exchange.

NYSE Diaries

Table of NYSE Diaries, showing daily trading volume and other market statistics.

AMEX Diaries

Table of AMEX Diaries, showing daily trading volume and other market statistics for the AMEX.

NYSE Sales

Table of NYSE Sales, showing weekly and monthly trading volume.

AMEX Sales

Table of AMEX Sales, showing weekly and monthly trading volume for the AMEX.

Supranational

Table of Supranational bond prices, including columns for Issuer, Con, Mat Price, Yld, and various international bonds.

Western Europe (Other)

Table of Western Europe (Other) bond prices, including columns for Issuer, Con, Mat Price, Yld, and various European bonds.

United Kingdom

Table of United Kingdom bond prices, including columns for Issuer, Con, Mat Price, Yld, and various UK government and corporate bonds.

Dollar Zero Coupons

Table of Dollar Zero Coupons bond prices, including columns for Issuer, Con, Mat Price, Yld, and various US zero-coupon bonds.

Supranational

Table of Supranational bond prices, including columns for Issuer, Con, Mat Price, Yld, and various international bonds.

American Exchange Options

Figures as of close of trading Friday, Sept. 18

Large table of American Exchange Options, listing various call and put options with columns for Option & Price, Calls, and Puts.

Option & Price

Table of Option & Price, listing various call and put options with columns for Option & Price, Calls, and Puts.

Option & Price

Table of Option & Price, listing various call and put options with columns for Option & Price, Calls, and Puts.

Option & Price

Table of Option & Price, listing various call and put options with columns for Option & Price, Calls, and Puts.

Fixed Income and Equities Trading - for dealing prices call:

Text describing WestLB's services in fixed income and equities trading, including contact information for Düsseldorf, London, Luxembourg, and Hong Kong.

INTERNATIONAL POSITIONS

You will find below a listing of job positions published last Thursday under the rubric international positions.

Table of International Positions, listing job titles, salaries, and employers such as DEPUTY MANAGING DIRECTOR, DIRECTOR ASSET MANAGEMENT, etc.

Large vertical advertisement on the right side of the page, including 'EUROBONDS', 'The big lull in Euro', 'Wall Street Review', and 'Currency Rates'.



FROM WRITING ORIGINALS MONDAY, SEPTEMBER 21, 1987

EUROBONDS

Italy and Sweden Set Terms, Ending Lull in Eurodollars

By CARL GEWIRTZ International Herald Tribune PARIS — Italy and Sweden broke the two-week lull of new-issue activity in the fixed-coupon sector of the Eurodollar bond market last week...

The high margins both issuers offered were considered attractive.

Sweden, a prolific borrower, most recently paid a margin of 40 basis points over the Treasury yield. Thus, the high margins both issuers offered were considered attractive.

Italy's three-year offering was quite large, \$1 billion, which will be used to repay existing floating rate debt. Sweden's \$350 million of five-year paper was small by comparison but still the largest single fixed-rate offering yet floated by the government in this market.

Although both issues ended the week trading at discounts slightly larger than the fees paid to underwriters, this was considered quite a good performance given the gloom prevailing in the market.

Generous pricing also helped Turkey place 200 million Deutsche marks of five-year bonds. These were priced at about 1/4 percentage points over what Österreichische Kontrollbank offered. Raising the same amount of money for the same maturity, the Austrian bank set a coupon of 5% percent with an offering price of 100 1/4 percent.

However, neither the mark nor the yen bond markets attracted investors. The concern there is that tax cuts and increased spending both West Germany and Japan are undertaking will translate into a higher level of deficit financing and higher interest rates.

The overall mood of all bond investors is that they have nothing to lose by sitting on the sidelines—in no major market are interest rates likely to fall, setting off a rally—and everything to gain by waiting to see where interest and currency rates stabilize.

Worth noting is the fact that despite the updrift in interest rates, liquidity in all the major markets remains abundant. The behavior of the stock markets says that money is not pouring into equities, but the shape of the yield curve suggests that the cash is being parked in short-term deposits.

At the end of June, rates on short-term money ranging from one month to one year were nearly identical. Today, there is a half-percentage point difference, with rates stepping up as the maturity lengthens. These step-ups widen the further out the maturity goes into the capital markets, reflecting investor wariness about the long term, and the abundant liquidity in the very short-term market.

Japan remains the most liquid market of all, and to a considerable extent the way the Japanese invest their cash will set the tone for others to follow. At present, the Japanese are in a holding position, preparing their fiscal half-year reports for the end of September.

However, bankers in Tokyo report that foreign investment may subside as there is a substantial increase in loan demand from domestic companies building inventories and raising working capital. Borrowing from banks at the long-term prime rate of 5.2 percent is cheaper than paying 6 percent to issue five-year bonds. This increase in loan demand will leave the major financial institutions with less cash to invest in stocks and bonds.

The market last week also saw a convertible bond from a British company that was notable for the way it addressed the pre-emptive rights of existing shareholders.

Under British rules, shareholders either must approve any increase in the shares outstanding or be given rights to purchase the new shares to prevent any significant dilution of their holdings. See EURO BONDS, Page 11

How a Texan Turned a Dream Into a News Empire



William Dean Singleton

By Alex S. Jones New York Times Service DALLAS — Less than four years ago, William Dean Singleton had no newspapers and no money to speak of — only a yearning to own a newspaper chain. By the end of this year, if all goes according to plan, the newspaper chain run by the 36-year-old Texan will be worth an estimated \$1.2 billion, with Mr. Singleton owning roughly one-third of that.

Mr. Singleton unabashedly embraces the role of newspaper magnate. "I want to die and at the funeral have a lot of people stand around and say, 'Dean Singleton built a hell of a newspaper company,'" he said at his corporate headquarters in Dallas.

He added that he wants his papers to be good; his reputation as one of the tightest, toughest managers in newspapers holds little appeal for him. And with his recent purchases, Mr. Singleton has in a sense demonstrated that the assurance of big profits is not the only reason he will buy a newspaper.

Table: Singleton's Holdings. Largest daily newspapers acquired by William Dean Singleton since Jan. 1, 1984. Columns: Newspaper, Location, Daily Circulation.

By combining his entrepreneurial drive and experience as a tough manager with the financial clout of others, Mr. Singleton, who grew up poor in Texas and went broke trying to found a newspaper chain when he was 24, has assembled one of the largest U.S. newspaper groups.

His partners, Richard B. Scudder, a New Jersey newspaper owner, and Media General, a communications conglomerate based in Richmond, Virginia, have provided the cash. The only money Mr. Singleton has invested personally is the \$200,000 he borrowed from Mr. Scudder in 1983 to start his chain.

IMF to Meet Against Backdrop of 'Policy Stalemate' in Industrial World

By Hobart Rowen Washington Post Service WASHINGTON — Against a backdrop of turbulence in financial markets and persistent huge trade imbalances, the World Bank and International Monetary Fund will meet here next week, with no sign that the major nations are ready, or able, to take significant steps to improve their economic performance.

But the prospects for new measures to promote international cooperation appear minimal for the three day World Bank-IMF meeting starting Sept. 29, and for the policy-making sessions that precede it. Those sessions include the Group of Five major powers, the United States, Japan, West Germany, France and Britain; the Group of Seven, which adds Italy and Canada; and the IMF Interim Committee.

"Without saying that there won't be some additional agreements in respect to our policies," a senior Reagan administration official said in an interview, "I think it's a mistake to expect such agreements every time there is an international economic gathering."

But the prospects for new measures to promote international cooperation appear minimal for the three day World Bank-IMF meeting starting Sept. 29, and for the policy-making sessions that precede it.

In separate annual reports, the bank and IMF last week predicted continued sluggish growth in the year ahead. They called on the United States to trim its budget deficit, and on Japan and the European nations to take global leadership by expanding their economies.

The World Bank president, Barber B. Conable Jr., left, with Michel Camdessus, managing director of the IMF.

Yugoslavs Seek 3-Year Delay in Debt Repayment

Belgrade — Yugoslavia will seek a three-year moratorium on repayment of its \$19 billion foreign debt, Prime Minister Branko Mikulic has said.

Mr. Mikulic said half the foreign debt had been incurred through bad investments and excessive spending.

Mr. Mikulic, in comments reported Saturday by the official Tanjug news agency, said Yugoslavia needed the time to make its economy more productive and export-oriented.

Yugoslav officials said talks with creditors that had been scheduled for this month have been postponed, possibly until next month. Preliminary debt talks with International Monetary Fund officials opened last week in Belgrade. No details have emerged.

In May, Yugoslavia rescheduled part of its debt due in 1987 and 1988 with 16 Western creditors and commercial banks, but in July it missed repayments of \$245 million due to a hard currency shortage.

Government figures show that Third World countries owe Yugoslavia about \$2 billion. Tanjug said Wednesday that Yugoslavia's net foreign debt had been reduced by \$750 million this year.

Plan to Ship Iran Oil Via Soviet Faces Obstacles

United Press International NEW YORK — A plan for Iran to export 700,000 barrels of crude oil a day to the Soviet territory faces technical and political obstacles, Petroleum Intelligence Weekly said Monday.

Iran, which has no outlet for its oil exports except through the Gulf, announced a plan last month to convert part of its 400-mile (1,130 kilometers) gas trunklines system to carry crude oil to the Soviet Union within a year.

The oil journal said a survey of regional specialists and oil experts familiar with Iran's pipeline system "suggests considerable skepticism unless the program gets high enough political priority in both the Soviet Union and Iran to bulldoze technical roadblocks."

Iran cut off gas deliveries of 1 billion cubic feet a day to the Russians in 1980 after a price dispute. The journal said a more practical goal for Iran would be to ship about 200,000 barrels of oil a day through the northern portion of the pipeline system. It estimated this approach could cost \$250 million and take a year.

Thorns on China's Road to GATT

Subsidies, Exchange Rates May Hurt Beijing's Chances

BEIJING — China, needing hard currency to finance the modernization of its economy, is eager to join GATT, the 94-nation body that sets standards for world trade.

But the weakness in China's membership application is that its foreign trade system is riddled with subsidies and varying exchange rates, both forbidden under the free trading rules of the General Agreement on Tariffs and Trade.

China's position, as set out in a memorandum to GATT in February, is that it is gradually bringing prices more in line with production costs and replacing administrative controls with market ones.

But the weekly noted: "Iran has long been distrustful of Soviet objectives, the more so since Moscow continues to be a principal Iraqi arms supplier." Iraq signed a \$1 billion oil pipeline contract on Sunday to a consortium led by Japan and Italy, Reuters reported from Baghdad. The pipeline, to be completed in two years, is expected to boost Iraq exports to prewar levels of more than 3 million barrels per day.

But one diplomat said China's entry into GATT would give the West a golden opportunity to encourage China to reform its trading system. "The Western countries, which in principle support China's entry, have leverage they will never have again," he said. "Reformers within the government can use the negotiations to argue for cuts in high import tariffs and export subsidies."

Soviet Aide Predicts Record Crop

WASHINGTON — A senior Soviet economist has predicted that his country's farmers will produce a record grain crop this year, according to a magazine article published Sunday.

Abel Aganbeyan, economic adviser to Mikhail S. Gorbachev, said in an interview with U.S. News and World Report that the crop would break the Soviet Union's record of 237 million tons harvested in 1978.

Even if a record is not realized, other Soviet officials are confident that production will largely exceed last year's output of 210 million tons, according to the Moscow-dated article. U.S. government estimates suggest, however, a Soviet harvest closer to last year's level.

Currency Rates

Table: Currency Rates. Columns: Country, Rate, % Change.

Forward Rates

Table: Forward Rates. Columns: Period, Rate, % Change.

Last Week's Markets

Table: Last Week's Markets. Columns: Market, Change.

Stock Indices

Table: Stock Indices. Columns: Index, Value, % Change.

Money Rates

Table: Money Rates. Columns: Instrument, Rate, % Change.

Investors World The Monaco Based Financial Newsletter COMING SOON!

GO WITH THE WIND An intriguing prologue to a new issue in the exciting world of wind energy.

INTERCARTA - A PAPER AND BOARD SALES ORGANIZATION. Intercarta is a progressive group of sales companies serving the European paper and board industry.

CARREFOUR Consolidated first half year results (IN MILLIONS OF FRENCH FRANCS)

Rothschild's International Money Funds The efficient alternative to a deposit account in any major currency.







# New International Bond Issues

Compiled by Laurence Desvillettes

Issuer	Amount (millions)	Mat.	Coups. %	Price	Price and week	Terms
<b>FLOATING RATE NOTES</b>						
Civos VI	\$100	1992	0.23	100	—	Over 6-month Libor. Noncallable. Fees 0.10%. Denominations \$100,000.
Rush One	\$50	1992	0.21	100.10	—	Over 6-month Libor. Noncallable. Fees 0.13%. Denominations \$100,000.
JETS 2	\$35	1992	1/4	100	—	Over 6-month Libor. Noncallable. Fees 0.10%. Denominations \$100,000.
Leads Permanent Building Society	£100	1994	1/4	100	—	Over 3-month Libor until 1990 and a minimum of 0.15 over thereafter. Redeemable at par in 1990 and 1992. Fees 0.10%.
TMC Securities Number 3	£100	2015	3/4	100	—	Over 3-month Libor. Average life 5 to 7 years. Fees 0.40%.
Milau Financial Services (Australia)	Aus\$50	1992	0.45	100.15	—	Below the 3-month Australian Bank bill. Redeemable at par on every interest payment date. Fees 0.15%.
<b>FIXED-COUPON</b>						
Italy	\$1,000	1990	9	100 1/4	99.00	Noncallable. Fees 195%. Denominations \$10,000.
Sweden	\$350	1992	9 1/4	101 1/4	99.50	Noncallable. Fees 150%.
Central Bank of Turkey	DM200	1992	7	100	99.00	Noncallable. Fees 2%.
Oesterreichische Kontrollbank	DM200	1992	5 1/2	100 1/4	98.25	Noncallable. Fees 2%.
Finland	DK800	1994	10 1/2	99 1/2	—	Noncallable. Fees 150%.
Heron Int'l Finance	£50	1992	11	101 1/4	99.50	Noncallable. Fees 150%.
Eurofina	ECU100	1992	8 1/2	101 1/4	98.25	Noncallable. Fees 150%.
Ford Credit Canada	CS100	1992	11 1/4	101 1/4	99.50	Noncallable. Fees 150%.
Vienna City	CS75	1992	11 1/4	101 1/4	99.38	Noncallable. Fees 150%.
Korac Canada Finance	CS90	1992	11 1/4	101 1/4	98.75	Noncallable. Fees 150%.
Denmark	NZS60	1989	17 1/2	101 1/4	99.50	Noncallable. Fees 150%.
Groupe Bruxelles Lambert	NZS50	1990	17 1/2	101 1/4	100.88	Noncallable. Fees 150%.
<b>EQUITY-LINKED</b>						
Hodogaya Chemical	\$50	1992	3 1/4	100	—	Noncallable. Each \$5,000 note with one warrant exercisable into company's shares at \$23 per share and of 145.25 yen per dollar. Fees 24%.
Koppel	\$75	1997	open	100	99.38	Coupon indicated of 2 1/2 to 2 3/4. Callable at 102 in 1992. Convertible at an optional 4 to 4 1/2 premium. Fees 25%.
Nippon Credit Bank	\$150	2002	open	100	98.00	Coupon indicated of 1 1/2. Callable at 102 in 1992. Convertible at an optional 5 1/2 premium. Fees 24%. Terms to be set Sept. 24. \$100 million issued in Europe and \$50 million issued in Asia.
Sankyo Aluminum Industry	\$70	1992	3 1/4	100	—	Noncallable. Each \$5,000 note with one warrant exercisable into company's shares at \$23 per share and of 144.80 yen per dollar. Fees 24%.
Sekisui Jushi	\$30	1992	3 1/4	100	94.00	Noncallable. Each \$5,000 note with one warrant exercisable into company's shares at \$23 per share and of 144.20 yen per dollar. Fees 24%.
Stanley Electric	\$100	1992	open	100	97.50	Coupon indicated of 2 1/2. Noncallable. Each \$5,000 note with one warrant exercisable into company's shares at \$23 per share and of 145.25 yen per dollar. Fees 24%.
Tokyo Rikatech	\$25	1992	3 1/4	100	—	Noncallable. Each \$5,000 note with one warrant exercisable into company's shares at \$23 per share and of 145.25 yen per dollar. Fees 24%.
Williams (A.L.)	\$70	2002	4 1/4	100	101.00	Semiannually. Redeemable at 120 1/2 in 1992 to yield 9.04%. Convertible at \$20 1/2 per share, a 25% premium. Fees 14%.
Metalgesellschaft Finance	DM200	1997	6 1/4	125	124.00	Noncallable. Each note with warrants exercisable into shares of parent company of 370 marks per share, a 25% premium. Fees 25%.
London Int'l Group	£50	2002	open	100	101.75	Coupon indicated of 4 1/2. Redeemable in 1992 to yield 8 1/2 to 8 3/4. Convertible at an optional 22 to 26% premium. Fees 22%.
Next	£100	2003	5 1/4	100	—	Redeemable at 129 in 1992 to yield 10.46%. Convertible at 430 pence per share, a 20.8% premium. Fees 13%. Offered to shareholders via rights issue.

## BUSINESS ROUNDUP

### AmEx Quietly Funded Credit-Card Newsletter

Washington Post Service  
WASHINGTON — American Express Co. has been financing, for more than a year and without acknowledgment, a newsletter that criticizes the interest rates charged by competing bank credit cards.

American Banker, a trade publication, said Friday that Bank Credit Card Observer, produced in Kendall Park, New Jersey, had received subsidies "likely to approach \$500,000" by the end of the year.

After the American Banker report was published, American Express and John C. Pollock, the newsletter's publisher, confirmed the arrangement.

Mr. Pollock acknowledged that he was getting a monthly grant of \$20,000 from American Express.

but he said he had full editorial independence. "We're proud of the reliability of our data," he added. The Wall Street Journal and other publications regularly use BCCO tables of credit card charges.

"There is no indication the data are inaccurate, but it is inappropriate to receive money from any [bank] player," said Gary Serota, president of BankCard Holders of America, a consumer organization.

The newsletter was launched in April 1986, less than a year before American Express introduced its lower-interest Optima credit card to compete with MasterCard and Visa. The newsletter — like several similar publications — has given editorial credit to Optima for helping to drive down credit card interest rates.

The Optima card charges 13.5 percent on unpaid balances, whereas the national average for bank cards is 17.3 percent.

### Zambia Copper Mines Posts \$70 Million Loss

Agency France-Press  
LUSAKA, Zambia — The state-controlled company Zambia Consolidated Copper Mines has reported an after-tax loss of 562 million kwacha (\$70.25 million) for the year ended in March 1987.

The chairman and chief executive, Francis Kaunda, said Friday that mineral export tax amounting to 760 million kwacha was primarily responsible for the loss. He said copper production had risen to 470,982 tons from 458,573 in the previous year.

Bank Credit Card Observer, which costs its 400 subscribers \$290 a year, conducts a monthly survey of the largest credit card-issuing banks. It lists banks across the United States that charge the lowest interest rates on credit card balances, along with their annual fees.

It also gives the rates charged by the largest banks, as well as the average rate, in 18 U.S. cities.

According to an American Express spokeswoman, the idea for Bank Credit Card Observer came from Dorothy Gregg, who works as a consultant to American Express.

### Ford's Financial Corp. Bid Expected

By Richard W. Stevenson  
New York Times Service  
LOS ANGELES — Ford Motor Co. is expected to submit its first definitive bid for the troubled Financial Corp. of America soon, a Federal Home Loan Bank Board member said, suggesting that the fate of the largest U.S. savings and loan company may be decided later this year.

A bid by cash-rich Ford, which already owns First Natixwide Financial Corp. and has been eager to expand its financial services business, is likely to compete for bank board approval with a plan by Financial Corp. to split the struggling company into four parts.

The bank board member, Roger Martin, said that Financial Corp. presented its plan to him Sept. 14. This plan could be more attractive to the federal regulators than Ford's bid, because it is expected to be far less expensive.

Financial Corp. estimates that its breakup plan would require an infusion of \$1.2 billion to \$2 billion over 10 years by the Federal Savings and Loan Insurance Corp., compared with \$3 billion to \$4.5 billion under the outline of the plan Ford submitted earlier this year.

Financial Corp., based in Irvine, California, has been fighting to avert collapse for several years. It remains undercapitalized and highly sensitive to

interest rate increases, despite considerable progress by a new management team in cleaning up problem loans and increasing reserves.

Several entities have shown interest in acquiring Financial Corp. with government aid. But Ford has emerged as the only serious contender.

Industry executives said Financial Corp.'s breakup plan could provide both a less expensive alternative and bargaining leverage for the bank board in its talks with Ford.

Mr. Martin said the entire bank board would bear the company's plan later this month. He said he doubted that the bank board would agree to any deal that would cost the FSILC \$3 billion or more.

Ford has more than \$9 billion in cash, a figure analysts say may reach \$11 billion by year's end, and has been looking for some earnings independent of the cyclical automobile industry.

In addition to its interest in Financial Corp., Ford supposedly was one of the bidders whose interest sent the shares of Transamerica Corp. bouncing upward recently. Ford also has figured in rumors swirling around Textron Inc. and, earlier, Lockheed Corp.

Ford is making money in record amounts. Recently, it reported profits of \$1.49 billion for the second quarter, bringing its earnings for the first six months of the year to almost \$3 billion.

### Troubled U.S. Utility Plans Restructuring

New York Times Service  
MANCHESTER, New Hampshire — Public Service Co. of New Hampshire, financially drained by a \$2 billion investment in the dormant Seabrook nuclear power plant, has given details of a capital restructuring plan aimed at reducing the company's cash interest payments by \$143 million a year.

The company, which owes \$1.37

billion in long-term debt and suffers losses of \$1,100 a minute at Seabrook, plans to ask holders of some of its bonds and unsecured debt to exchange them for new, longer-term bonds and warrants that pay interest in common stock rather than in cash.

Company officials called the restructuring plan "the largest ever in the electrical utility industry."

The proposal, filed Friday with the Securities and Exchange Commission, requires approval by Public Service's stockholders as well as the New Hampshire Public Utilities Commission.

Public Service owns one-third of the Seabrook plant, which has been denied an operating license because it lacks complete emergency evacuation plans.

### As Bond Rates Rise, a Comeback Is Expected in Credit Market

By Carl Gewirtz  
International Herald Tribune  
PARIS — Every cloud has its silver lining, and the cloud now hanging over the Eurobond market and the capital markets divisions of commercial banks may mean renewed glamour and profitability for the banks' long dormant but more traditional business of lending to industry.

During the five-year bull market in bonds, which saw long-term fixed interest rates drop from the high double digits to low single

a medium-term line of credit while bank charges are still relatively low. The bulk of these credits are expected to serve as back-ups to the sale of Eurocommercial paper.

The outstanding volume of Euro-CP is now estimated at about \$43 billion, up from an estimated \$33 billion at year-end. In part this reflects the loss of liquidity in the floating rate note market and investor preference for the relative safety of CP, where there is less risk of capital loss at a time when interest rates are in flux.

With the recent rise in interest rates, investors have stepped up their purchases of these short-term securities. One major dealer reported the volume of outstanding paper distributed by his firm was up 15 percent from the end of July.

This increased demand has also had an impact on rates. Until now, this dealer reported, Euro-CP yielded on average around 28 basis points, or just over a quarter-percent point, more than the rate

for three-month CP in New York. Over the past few weeks, as demand increased, this has been cut to 15 basis points.

Other dealers report increasing investor willingness to buy CP issued by companies that have no rating or a low rating as a means to increase their income. High rated CP issued by governments yields around six basis points below the London interbank bid rate, while lesser-rated paper yields a slight margin over the offered rate. The difference between the bid and offered rate is usually 1 1/2 basis points.

Bankers report that American Airlines has asked banks to submit bids for terms on a \$500 million facility that would be used to back the sale of Euro-CP.

Also coming into the market will be Saint-Gobain, the recently privatized French glass and plastics company. It is seeking a multi-option facility of \$600 million for five years that, after two years, credi-

### INTERNATIONAL CREDIT

But with bond market rates now rising and the economic outlook still uncertain, analysts expect business will flock back to the banks for medium-term credits while charges are still low and liquidity abundant.

Up to 1982 and the outbreak of the Latin American debt crisis, activity in the international credit market dwarfed that of the bond market. In 1983, volume in the two markets was about equal and since then the credit market has been occupied by the bond market. Last year, the volume of Eurobonds at \$188 billion, was double the size of the \$93 billion credit market.

Figures published last week by the Organization for Economic Co-operation and Development show that this relationship has not much changed during the first nine months of this year, with Eurobonds at \$114 billion and credits at \$62 billion.

But with the bond market now stalled by investors' worries about interest and currency rate developments, some analysts believe that the volume of loans in the credit market this year will be about 30 percent higher than last year. That would be a tremendous leap considering that the pace of activity through August about matches the nine-month volume a year ago.

These analysts expect most of the activity to be what they call "cautious borrowing," locking in

credits, which can be extended for six months, carries an interest rate of 3/4 point over Libor. The company will pay a fee of 1/4 percent on any unwithdrawn amounts and front-end commissions ranging up to 7 1/2 basis points.

BNP Capital Markets, which is arranging the credit, said the terms would be made public Monday.

Demand to join Montedison's \$800 million acquisition finance met with "unprecedented demand," said lead manager Citibank and will close this week after being launched only last week.

The money is being raised to finance the \$1.5 billion purchase of Hercules Corp.'s 38.5 percent share in U.S.-based Himont Inc., the world's biggest producer of polypropylene plastics. This will increase Montedison's holding in the company to 77 percent.

Montedison has acknowledged that the operation would sharply increase its already high debt burden and this is reflected in the terms of the loan. The one-year

Next time the Dow breaks down, watch what happens to grains in Chicago. Indigo clients in corn, soybeans and wheat are gearing for big up days when the averages dip and complimentary coverage is available if you'll write, phone or telex.

Indigo is not a licensed broker.

Andrés Palomares de Maltrera 43, Torremolinos, Málaga, Spain. Telephone 34-52-389800 - Telex 79423.

### EUROBONDS: Italy, Sweden End Eurodollar Lull

(Continued from first finance page)  
ings. Until recently, British companies had the lowest of issuing up to 5 percent of new stock without seeking approval or offering preemptive rights. But a number of equity issues increasing the outstanding stock by 4.9 percent drew irate protests from institutional investors and the permissible dilution rate was subsequently cut to 2.5 percent.

Next PLC, a chain of retail stores that is increasing its outstanding equity by 6 1/2 percent, launched the first convertible bond to be offered domestically and internationally.

Its \$100 million of 15 1/2-year bonds carries a coupon of 5 1/2 percent and will be convertible into common shares at a 20.8 percent premium over the current price. If the share price falls to rise, investors have the option after five years to request early redemption of the bonds at a premium price of 129 percent of face value. This gives an effective yield of 10.46 percent, about 1/4 point more than the cur-

rent yield on five-year government bonds.

Over the next three weeks, these bonds will be available only to existing shareholders, who have the right to buy 1/4 of convertible bonds for each 3.57 shares they own.

Normally, pre-emptive rights are offered to shareholders at a discount from the prevailing price of the shares. In this case, the discount is expected to be around 4 percent. This arises from the fact that the bond carries terms currently considered generous, although a big move in Next's share price or British bond prices could alter that assessment.

But at present the convertible bond would be expected to trade at a premium of about 4 percent over the par subscription price. However, the rights holders can buy the bonds at par.

For small shareholders who opt not to buy additional shares, the commission on selling the rights could eat up the income they re-

ceive from the sale. To protect them, unexercised rights will be sold and the income given to Next for distribution to the registered shareholders who are entitled to it.

The underlying convertible bond will then be available for sale to outsiders, with domestic investors receiving registered bonds and foreign investors receiving bearer securities.

### YEN: Many Economists Now Expect It to Stay Strong

(Continued from Page 1)  
rise. A higher yen should have reduced Japan's trade surpluses by making its exports expensive and by making imports more attractive. But the trade surplus, while it has dropped for the last four months, remains large. And America's trade deficit, a sizable portion of which comes from trade with Japan, reached a monthly record of \$16.5 billion in July.

By paring costs and cutting margins, Japanese companies have remained competitive, even at today's exchange rates.

"They're making a faster adjustment than almost anybody thought was possible," said Nicholas Sargen, an economist for Salomon Brothers in New York.

That may mean that if political and economic pressures are to correct the trade imbalance, the yen

must rise further and the dollar must drop further. At the least, continued large trade surpluses with the United States suggest that the yen is unlikely to drop very far until the imbalances begin to correct themselves.

Just the expectations of a stronger yen are likely to have an impact. Japanese manufacturers, for example, might stop up plans to build factories abroad, in the belief that a higher yen will price Japanese goods out of the market. Some institutional investors might become wary of large purchases of American securities, for fear of being hurt by exchange rate movements.

But the pace of the yen's surge has been slowing over the last 12 months, and some analysts think that trend may continue. They feel that the Japanese government will make efforts to prevent the yen from rising much more, and that

the U.S. government might try to curtail a further drop in the dollar.

Some Japanese economists say the yen is now overvalued in terms of buying power. One common measure of purchasing power parity is to take a basket of goods and price them in the United States in dollars and in Japan in yen. The exchange rate at which the amounts are equivalent is regarded by some experts as an indication of roughly where market rates are likely to drift.

One problem, however, is that estimates of purchasing power parity depend on what goods are priced. The Organization for Economic Co-operation and Development put the parity rate at 223 yen to the dollar and the Bank of Tokyo estimated it to be 180 to the dollar. Some economists even put it close to 150 to the dollar.

### U.S. Again Presses Seoul On Appreciation of Won

Agency France-Press  
SEOUL — The United States is again pressing South Korea to accelerate the won's appreciation against the dollar and allow more U.S. imports, officials said Sunday.

They were quoted as saying that Treasury Secretary James A. Baker 3d sent a letter Friday to warn that passage of a protectionist U.S. trade bill was unavoidable if Korea refused to let the won rise faster.

### Japan's Credit Banks Seek Prime-Rate Rise

Agency France-Press  
TOKYO — Japanese credit banks are seeking approval for a 0.3 to 0.4 point rise, effective Oct. 1, in their long-term prime rate, now 5.2 percent, to cope with a decline in bond prices abroad, banking sources said.

They said the Finance Ministry had opposed such an increase but now seemed to have changed its stance.

### U.S. Bonds Mixed Amid Pressure on Dollar

By Phillip H. Wiggins  
New York Times Service  
NEW YORK — Prices of government securities ended mixed Friday, after the dollar came under pressure overseas on speculation that the Group of Seven nations might lower their target range for the currency.

Bond prices had surged late Thursday on optimism that Congress could resolve the U.S. budget problems by amending the Gramm-Rudman law, which would pave the way for an increase in the debt ceiling.

But that optimism did not carry over for long in Friday's trading, as

the dollar opened lower on the speculation on the G-7 meeting in Washington this week.

Dealers said the dollar came under pressure overseas after news services carried a report from a Japanese newspaper that the G-7 meeting was likely to reach tacit agreement to lower the dollar's "reference range" from its current 140 to 160 yen range to a range of 130 to 150.

By late in the day, the 8 1/2 percent bond due in 2017 was at 93 9/32, off 5/32, to yield 9.55 percent. But some medium-term securities rose.

The Commerce Department reported that the growth in the nation's gross national product in the second quarter was at a 2.5 percent seasonally adjusted annual rate — a revision from the 2.3 percent previously reported.

U.S. Consumer Rates  
Sept. 18

Year-Changing Bonds	5.28%
Money Market Funds	4.41%
Money Market Accounts	5.67%
Money Market Funds	10.28%

Source: New York Times

SELECTED U.S./U.K. QUOTATIONS	USD	ASK
Alan Jones Pitt Stop	2 1/2	2 3/4
Bifer Corp.	1 1/4	1 1/2
Chiron	27	27 1/2
GoodWork Food	16 1/2	17 1/4
MAG Holdings	2 1/4	2 1/2
NAVAR	—	3
Spectracine	4 1/4	4 1/2

WITH COMMENTS OF CONTINENTAL AMERICAN  
These are indicative market prices

**CM**  
INVESTMENT OPPORTUNITY  
Europe's highest growth country  
Investment annual yield is 40%+  
Bank guarantees offered  
High Tech Growth Industry  
For confidential details information, write:  
M & L Associates  
Marin & Malibu 66-24C  
28024 Malibu, California  
Telephone: 280 1172.

You've never had it so good.

**DUBAI**

YOUR NEW BASE FOR MIDDLE AND FAR EASTERN MARKETS

Dubai's Jebel Ali Free Zone has now made it easy for international companies to set up trading and industrial bases easier in the Middle East.

- No personal income taxes.
- No import duties, export taxes.
- No sponsorship restrictions.
- Unlimited cheap energy.

Corporations such as Arco, British Petroleum, Black & Decker, McDermott, Halliburton, Union Carbide and Shell have already taken advantage of these exciting trade freedoms and benefits unique to Jebel Ali.

Just look at these advantages:

- 100% foreign ownership.
- Unlimited transfer of profit and capital.
- No corporate taxes for a minimum of 15 years.

With superb facilities including an extensive infrastructure, state-of-the-art communications, accommodation, hotels, hospitals, security and every modern amenity, this 45 sq. km business opportunity is your new frontier for Middle and Far Eastern markets.

To find out about these freedoms contact:

**Jebel Ali Free Zone Authority**  
THE PRIDE OF DUBAI

Marketing Dept. No. 24 P.O. Box 3258, Dubai, United Arab Emirates. Tel: Jebel Ali 56573  
Telex: 46580 IPAJA EM. Cable: PAJADUB UAE

Red Terrorist Is Unwanted For Now  
His Jim Hougham  
D  
results  
olitik







South America Seeks Economic Remedy

As Traditional Formulas Fail, Indebted Nations Search for New Panaceas

By Bradley Graham Washington Post Service

BUENOS AIRES — Not since shortly after World War II, when South America looked for a development model it could call its own, has this continent been in such an animated state of economic debate and invention.

Driven by the failure of traditional formulas to cure inflation and other chronic ills, some of the region's most indebted nations are desperately searching for new panaceas.

In the past two years, they have tried freezing wages and prices, introduced new currencies, suspended foreign debt payments and applied other unorthodox measures to break up order without starting growth.

Hinging on the outcome of this effort are the popularity and credibility of the new-wave democracies.

No lasting, politically acceptable programs have been found. The most innovative, those tested in Argentina, Brazil and Peru, have gone from promise to disillusion and induced at least a partial return to more orthodox remedies.

"The nations of the region are trying to do their own thing, just as they did in the 1950s," said Rüdiger Dornbusch, an economist at the Massachusetts Institute of Technology and an expert on Latin America.

Back then, many adopted the "import substitution approach to domestic industrialization," he said, creating and protecting domestic industries to produce goods that otherwise would be imported. That approach resulted in big inefficiencies, since the protected industries usually faced no competition and often required huge government subsidies.

Now, Mr. Dornbusch said, these countries are searching for a different development model. "They have learned quickly that it isn't easy," he said.

Since the onset of the debt crisis in 1982, Latin America has experienced little or no growth, lower standards of living, higher unemployment, depressed levels of investment and reduced foreign trade.

Through the collective output of the region did increase 3.8 percent last year, it grew only

1.4 percent on a per capita basis and has yet to catch up with the 1980 level.

Public patience is wearing thin. As the Inter-American Development Bank waned in its report, "deep social conflicts in various countries have been emerging that threaten both political and economic development."

Political pressures to improve living standards have made many democratic politicians hesitant to order the spending cuts and consumption constraints advocated by the International Monetary Fund and other lenders.

At the same time, faith in miracle cures has

stagnated. Moreover, the reward for enforcing IMF-style austerity was supposed to have been an eventual reopening of international credit lines. Yet by 1985, foreign banks were offering little more than was necessary to keep old loans technically out of default.

Argentina's Austral Plan, launched in June 1985; Brazil's Cruzado Plan, introduced eight months later, and Peru's plan, which took shape during those months, marked a new direction.

In contrast with the IMF's focus on dampening excess demand, the innovative South American plans aimed at cracking public expectations that prices and wages would go on rising.

Prices were frozen — Argentina also froze wages — and new national currencies were introduced to replace worthless ones. Peru, attempting to gain extra financial maneuvering room, limited foreign debt servicing to 10 percent of export revenue.

The shock packages were as much a political as an economic answer to the crises confronting presidents Raúl Alfonsín of Argentina, José Sarney of Brazil and Alan García Pérez of Peru.

The programs scored spectacular successes at first. Annual inflation rates fell sharply, landing between 60 percent and 80 percent in 1986, considered moderate for South America. Gross domestic product surged, in per capita terms, to between 4.5 percent and 6 percent.

All three national plans, though, shared a shortcoming: They failed in later stages to attack structural deficiencies in their economies, doing little to guard against inflation's resurgence. Brazil let its fiscal deficit gap, Argentina's over management to secure the opening of the economy and reform of the public sector. Peru watched its informal business sector expand.

Meanwhile, though the most important South American leaders are still against accepting purely orthodox formulas, orthodox measures have been embraced in the absence of workable alternatives.

In Brazil, for instance, the latest stabilization program calls for government spending cuts, higher taxes and economic growth led by increased exports. A devaluation of the cruzado has spurred exports, restoring a large trade surplus.

'Deep social conflicts have been emerging that threaten political and economic development,' the Inter-American Development Bank said.

faded after the novel anti-inflation plans of Argentina, Brazil and Peru gave way this year to triple-digit annual inflation rates.

Throughout South America, the economic centerpiece of the day has become "heterodoxy," a term encompassing just about any home-grown remedy that differs from the orthodox measures prescribed by the IMF.

The starting point remains the taming of inflation. Debt servicing now accounts for about one-third of public expenditures in the region. This means larger fiscal deficits, which in turn fuel excess demand and spur inflation.

After the debt crisis broke five years ago, Latin American nations turned initially to the IMF for advice on short-term financing. The orthodox measures recommended by the fund included budget cutbacks to reduce government spending, higher interest rates to encourage saving and dampen consumer spending, and devaluations to cheapen the price of exports and spur sales abroad.

But inflation persisted, even while output



Raúl Alfonsín

Ecuador Seeks To Extend Loan For Oil Exports

NEW YORK — Ecuador, seeking breathing space while it renegotiates the terms of its \$1.15 billion foreign debt, wants to extend the maturity of an 18-month loan it signed last October to finance oil exports, according to bankers.

They said that Banque Paribas, which arranged the \$220 million facility, has already won the approval of about 45 of the 52 participating banks to extend the credit by three months.

Escudor wants the extension because an earthquake on March 5 ruptured a pipeline, halting oil shipments for nearly six months and preventing it from fully utilizing the loan.

The Paribas deal is one of the few voluntary loans since the Latin debt crisis began in 1982 and could serve as a model.

IMF: Low Expectations for Meeting

(Continued from first finance page) ries, or the spring of 1988, at the earliest. A leading possibility to succeed Mr. Baker would be Deputy Secretary of State John Whitehead, insiders say.

A highlight of the 42d annual meeting of the Bank and IMF is expected to be the address of the World Bank president, Barber B. Conable Jr., who will seek to put to rest the charge that the bank's performance has been damaged by a reorganization that created staff morale problems. Mr. Conable plans to stress the need for renewed global economic growth and a boost in the bank's capital.

Even though the general backdrop for the meetings is the weak economic performance during the past year, the senior administration official indicated that the United States will offer an upbeat economic assessment, rejecting "Armageddon projections" of a global collapse or depression.

He said that he and his counterparts in the other G-7 countries are "extremely pleased" with the progress already made in formulating a plan by which they attempt to assure that their economies, as measured by a few major indicators, are living up to expectations.

In last week's speech, Mr. Baker, who has been instrumental in devising the proposed system of indicators, said that the Group of Seven had developed "a process, a political mechanism" that provides a basis for economic policy coordination. He argued that through that process, the world has enjoyed stable exchange rates most of this year.

But some of the debate next week, especially in private conversations, will focus on the question of whether the surveillance mechanism is strong enough to prevent a further substantial decline in the dollar, or whether a more appropri-

ate policy might be to seek stability for the dollar at a much lower level in order to reduce the trade deficit.

Mr. Baker's position is that the worst is over for U.S. merchandise trade, despite the record deficit of \$16.5 billion in July. Rising prices, the United States contends, disguise the fact that the deficit in volume terms has already begun to shrink. Japanese figures confirm the trend, showing a decline in their trade surplus globally and with the United States.

Mr. Baker acknowledged in his speech that the surveillance system is not yet fully effective.

"We need a little more discipline" in the system, he said. "We don't get there overnight, and we are a heck of a lot better off today than we were a year and a half or two years ago, when I can promise you, we didn't have meaningful meetings."

Officials of all countries privately agree that although they will go through the process next week of analyzing economic performance of the major countries against detailed forecasts prepared with the help of the IMF staff, the exercise will not produce an automatic commitment to act.

"While the indicators exercise would pick up a shortfall in German economic growth," the Reagan administration official said, "we're not going to push them for additional measures until we can demonstrate a commitment to performance ourselves."

Privately, American officials concede that Japan's performance "hasn't been all that bad," and express hope that there will be backsliding. They are frustrated by West Germany's refusal, given the weakness in Germany's economic growth, to go beyond the tax cut already scheduled.

Venezuela Signs New Debt Terms, Bankers Report

NEW YORK — Venezuela and its 13-bank advisory committee have signed agreements relaxing the terms on \$20.3 billion of the country's foreign commercial bank debt, according to two bankers on the panel.

A spokesman for Chase Manhattan Corp., the chairman of the committee, was not available. Officials from Venezuela's other 450 foreign bank creditors will sign the pact this week, the banker said Friday.

The agreement, which was reached in principle in February, stretches out the repayment schedule to 14 years from 12 1/2 and lowers the interest rate to 7 percent above the benchmark London interbank offered rate, from 14 percent.

Venezuela has total foreign debt of about \$33 billion.

Mutual Funds

Flowers on a close of trading Friday Sept. 18

Table of Mutual Funds with columns for fund name, share price, and change.

Table of Mutual Funds with columns for fund name, share price, and change.

Table of Mutual Funds with columns for fund name, share price, and change.

Table of Mutual Funds with columns for fund name, share price, and change.

Table of Mutual Funds with columns for fund name, share price, and change.

Table of Mutual Funds with columns for fund name, share price, and change.

Table of Mutual Funds with columns for fund name, share price, and change.

Table of Mutual Funds with columns for fund name, share price, and change.

Table of Mutual Funds with columns for fund name, share price, and change.

SINGLETON: How a Young Texan Turned a Dream Into a News Empire

(Continued from first finance page) bines \$355 million purchase price represents debt.

But Mr. Singleton is unimpressed. He has a personable nature but also enormous confidence in what he calls his "killer instinct."

Despite his professed interest in quality, his management code dictates that profitability comes first — a lesson, he says, he learned the hard way.

Mr. Singleton grew up in the town of Graham, Texas. His father worked the oil rigs and money was usually tight.

Mr. Singleton's deal-making talents were apparent at a young age. At 8, he sold mail-order Christmas cards door-to-door. He remembers laboriously drafting a letter to the Chief of Police in Scarborough, New York, to persuade the company to extend his credit.

At 14, he took a part-time job in the mailroom of the Graham News, one of the town's two twice-weekly papers. Soon he was covering sports and city hall.

The person in town he most admired was Edward R. Harris, publisher of the rival Graham Leader. Often, after finishing work at the News, Mr. Singleton would talk for hours with Mr. Harris about his ambition to own a newspaper (he bought The Leader from Mr. Harris last year).

After three years at three different colleges, when he also worked full time at several newspapers, Mr. Singleton quit school to become a copy editor at The Dallas Morning News, now his bitter rival.

While there, Mr. Singleton, then 21, was approached by Edwin M. Eakin, who invited him to run a weekly paper he wanted to start in the small town of Clarendon, Mr. Eakin and his partner put up the \$3,000 to finance the paper, and Mr. Singleton was offered full ownership. He accepted, and the first issue was printed in May 1972.

Within three years, Mr. Singleton had put Clarendon's other paper out of business and had acquired a few other small papers with his partners putting up the money. He also embarked on a venture that changed his life.

In August 1975, with different partners providing the cash, Mr. Singleton tried to revive The Fort Worth Press, an afternoon tabloid recently closed. He restarted it as a morning broadsheet, but within

two months the directors had ousted him as publisher in favor of his general manager, an older man. On Nov. 5, the paper closed. "I had personally signed a lot of bank notes, and had to sell everything I had," Mr. Singleton said.

The experience taught him what he considers to be the fundamental lesson of newspaper publishing: "If you don't have a solid profit base, all else is meaningless."

He nonetheless went looking for another paper to buy, and he found one in Westfield, Massachusetts. Joseph L. Albritton, the entrepreneur who then owned The Westfield Star, was also interested in the paper. The men struck a deal: Mr. Albritton would buy the paper and Mr. Singleton would run it.

During the next eight years, Mr. Singleton became the hungry and

Mr. Scudder lent the new company \$2.5 million, and put up \$300,000 for his 60 percent equity of the company. He also lent Mr. Singleton the \$200,000 he needed to acquire his 40 percent stake. Neither man has ever had to put any more personal money into the business, according to Mr. Scudder.

The company borrowed the rest of the \$10.5 million for The Times from Rhode Island Hospital Trust, a Providence bank later acquired by the Bank of Boston. The two banks have remained the principal lenders to the chain.

Mr. Singleton quickly demonstrated that he could run his own paper. In two years, The Gloucester Times posted its cash flow "to about \$2.5 million," Mr. Scudder said. The new partnership quickly acquired several other papers.

In 1985 the two men created another company, Garden State Newspapers Inc., with Media General as a partner. Media General agreed to provide all the cash for down payments on newspaper acquisitions — usually 20 to 30 percent of the purchase price — in exchange for 40 percent of the ownership of the papers. Mr. Scudder and Mr. Singleton equally divided the remaining 60 percent.

They also formed Media News, an operating company that managed all of the papers.

Mr. Singleton then began buying papers hungrily. Last year, he acquired 35, mostly from other chains. But it was with the purchase of The Times Herald in September 1986 that he began to be recognized by other newspaper entrepreneurs.

When he acquired The Times Herald from Times Mirror Co., which is based in Los Angeles, the paper had become unprofitable after years of bruising competition with the Morning News.

Media General decided not to be a partner in this acquisition, viewing the No. 2 paper in Dallas as too risky. Instead, Mr. Scudder and Mr. Singleton bought the paper through Gloucester County Times, their other partnership. Times Mirror financed \$60 million of the \$110 million purchase price, with

no interest or principal to be paid for four years, a source said.

Times Mirror agreed to similarly generous terms in its agreement to sell The Denver Post for \$95 million, but this time Media General was a partner. It provided \$25 million to Garden State, to be used for the down payment, with Times Mirror financing the rest.

Mr. Scudder and Mr. Singleton will acquire The Houston Post from Toronto Sun Publishing Co. through Gloucester Times, financing nearly all of the \$150 million price with bank debt.

The Toronto Sun had sought bids for The Post, and accepted Mr. Singleton's proposal. His proposal did not offer the most ready cash — instead, Mr. Singleton agreed to pay the Post's owners a sum equivalent to 1.25 times the increase in annual revenues in 1992 over that of 1987.

"Pretty creative, wasn't it?" Mr. Singleton said, with delight.

Mr. Singleton says there is still more than enough money to pay the interest on the loans. Mr. Morton estimates Media News's annual cash flow, the money available to pay down the debt, at \$80 million to \$90 million. Mr. Singleton says the company's cash flow-to-debt ratio will remain near its present level of between 5-to-1 and 6-to-1.

But Mr. Singleton still has to make his No. 2 papers successful.

In Dallas, he commissioned a survey and decided that The Times Herald was too stodgy. At Mr. Singleton's direction, the new Times Herald has tried to become "more warm and fuzzy," according to its new editor, David Burgin, with a "heavy dose of stories that are emotional, practical and analytical."

Mr. Singleton cut the news staff to about 250 from 320, and eliminated four bureaus. The Sunday magazine also went. And the paper is again profitable.

The Times Herald still dramatically trails The Morning News in advertising and circulation.

At The Houston Post, which is profitable, Mr. Singleton has a sophisticated printing facility and the morning slot, but his rival, The Houston Chronicle, has a big advertising and circulation lead.

The Denver Post leads The Rocky Mountain News in Sunday circulation, but trails during the week.

INTERNATIONAL CLASSIFIED (Continued From Back Page) - ESCORTS & GUIDES - LONDON BELGRADE - MAYFAIR CLUB - CAPRICE-NY - INTERFACES ESCORT SERVICE - LA VENTURA - ESCORTS & GUIDES

Table of Mutual Funds with columns for fund name, share price, and change.

Table of Mutual Funds with columns for fund name, share price, and change.

Table of Mutual Funds with columns for fund name, share price, and change.

Table of Mutual Funds with columns for fund name, share price, and change.

Table of Mutual Funds with columns for fund name, share price, and change.

Table of Mutual Funds with columns for fund name, share price, and change.

Table of Mutual Funds with columns for fund name, share price, and change.

Table of Mutual Funds with columns for fund name, share price, and change.

Table of Mutual Funds with columns for fund name, share price, and change.



SPORTS

The Pros Start Making Plans for Down Time

By Ken Denlinger  
Washington Post Service

WASHINGTON — The last time the National Football League players struck, Dave Butz kept working. What he decided to tackle was a project, a home computer gone contrary. Butz and a friend often tinkered on the machine well into the night, not knowing there would be 57 days of idle time. New parts here, caulking there until... "Everything we tried didn't amount to a hill of beans. I've got a new computer." A day short of five years since its first work stoppage of the '80s, the NFL is prepared for another. Call it Strike II, because anything that dares affect the Super Bowl in the slightest should also be accorded Roman numeral distinction. If his pals bolt Tuesday, Redskins Butz will opt for pleasure. "Some hunting, I suppose." Looking ahead, Butz said a strike "seems inevitable." Looking back, he and most other strikers recalled too much uncertainty and too much leisure from Sept. 20 until Nov. 17, 1982.

offensive brain trust. "There always seemed a chance for games early in the week, so we'd be drawing up game plans well past midnight." "Getting off at 1 or 2 A.M. was routine. When the games got canceled, we'd spend weekends with our families. But the next Monday would be film-breakdown day. Like it always was. And so on. Thursday, we'd arrive with open ears" to see if the games were on or off that week. If Strike II becomes reality, Redskins coaches will arrive at the office with open ears and open arms. "The scene will be an entirely new team, we've been led to believe, if it can get by Otkewicz, gimpy though he may be, and some others in the parking lot. More accurately, they thought. "We maintained our regular routine," said Joe Bugel, part of the

NFL Owners Adopt Tougher Stance

By Gerald Eskenazi  
New York Times Service

NEW YORK — The National Football League owners adopted a tougher stance Saturday, one designed to hit the wallets of players who go out on strike. They also said they believed the only stumbling block remaining in the labor dispute was the issue of free agency, on which both sides remained far apart. Facing a strike Tuesday, the league warned players that if they went out, they would probably not be able to make up the missing paychecks since the league would be unlikely to add games at the end of the season. The league also said it would not pay a bonus to players returning when the strike ended, as it did in 1982. In addition, the owners said that all games played by teams made up of free agents and nonstriking players — teams the league plans to field starting Oct. 4 — would count in the standings. There were no plans for new negotiations. Gene Upshaw, the executive director of the player union, denounced the owners' position, issued in a statement from the executive committee of the management council, the league's bargaining arm. "What they're trying to do is divide us," Upshaw said, "divide the union and never negotiate."

Upshaw said the league was trying to appeal to players on the better terms to remain. "By saying all the games will count, they're trying to stop the payoff teams from going on strike," he said. "What they're saying to the payoff teams is that a scab team can screw up your record." The NFL appears to be growing more confident that it can field strike teams. A number of clubs already have agreements from enough players to field complete strike teams, according to the council's assistant executive director, Jim Conway. "It's pretty clear to us all the clubs are ready in field teams," he said. The union has called for a strike Tuesday if there is no new contract to replace the one that expired Aug. 31. Saturday's statement by management followed a meeting on Friday between Upshaw and Jack Donlan, the council's head. The statement called Friday's meeting "an 11th hour bid... to avert a players' strike" but said that the "union's demand for free agency made moot" that bid. Upshaw said that Tampa Bay owner Hugh Culverhouse, chairman of the executive committee, has told him several times: "Drop your free-agency demand. You'll never get it."

SPORTS BRIEFS

Prost's 28th Victory Sets Grand Prix Record

ESTORIL, Portugal (AP) — Alain Prost of France won his record 28th Formula One event, the Portuguese Grand Prix, here Sunday. Prost had been tied with Britain's Jackie Stewart for the most career victories. Prost and Gerhard Berger, who had led from the second lap, dueled continuously, but when Berger spun out on the 68th of 70 laps Prost took over and went on in a 20,493-second victory over the Austrian, who finished second. Prost's time was 1 hour, 37 minutes, 03.506 seconds, bettering Briton Nigel Mansell's course-record 1:37:21.9 for the 2,703-mile (4,41-kilometer) Autodrome.

Yu Retains WBA Junior Flyweight Crown

SEOUL (AP) — Yu Myong-woo of South Korea knocked out Rodolfo Blanco of Colombia Sunday, retaining his World Boxing Association junior flyweight title. The scheduled 15-round bout ended at 2:15 of the eighth when Yu floored Blanco with a flurry of body blows and hooks to the head. The unbeaten Yu, 23, has 25 victories. Blanco, 21, is 13-5-1 lifetime.

Hallberg, Wrenn Tied for Lead in U.S. Golf

FRANKLIN, Wisconsin (UPI) — Robert Wrenn bogeyed his last hole Saturday to fall into a tie for the lead with Gary Hallberg after three rounds of the Greater Milwaukee Open. Wrenn, who opened with rounds of 65 and 68 and was at 11-under after two rounds, shot a 2-under-par 70 for a 203 total. Hallberg had a 66 in the second round and a 67 in the third. Larry Ziegler, co-leader after a second-round 64, shot a par 72 in the third round to end a stroke back at 204 with Wayne Levi. Levi fired his third 4-omder 68, Nick Price, the second round co-leader, finished the third round with 74 for a 206 total.

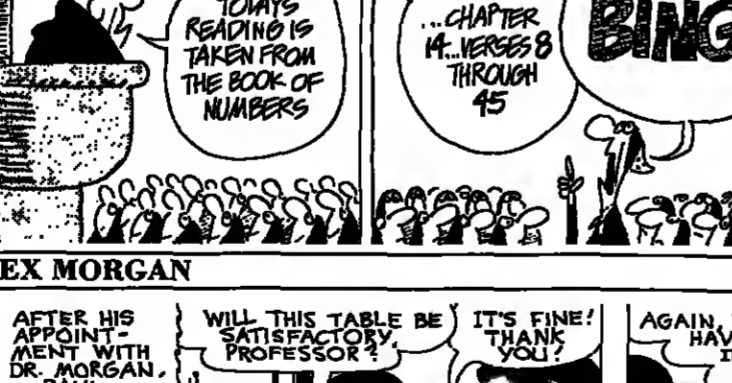
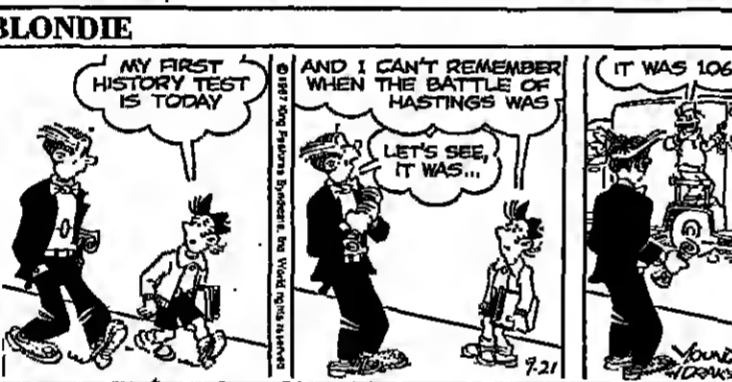
For the Record

Zola Budd won her public comeback race Saturday, leading home the field in a 10-kilometer road race in Bangor, Northern Ireland, in 32 minutes, 17 seconds. After her return from South Africa, where she was treated for injuries, Budd had run two races in England under an assumed name in aid publicity. (UPI) The average NFL salary is \$230,000. After Monday's paycheck, the average player will have earned \$28,750 for two weeks of fairly free manual labor. In any strike, NFL management hopes its players are like the rest of us working stiffs — deep into deficit spending. If the week's wages are \$200, we have \$5 left after bills;

Solution to Friday's Puzzle

HAILSTORM  
CROSSWORD  
ACROSS  
1 Nurturing  
2 Berlin  
3 landmark  
4 Brazilian  
5 dance  
6 Exult  
7 Assam  
8 silkworm  
9 Red as  
10 The Eagle  
11 Sutor  
12 The Louvre,  
e.g.  
13 Competent  
14 What an oil  
millionaire  
has?  
15 Fencing foil  
16 Short-haired  
dog  
17 Finally!  
18 Iron men?  
19 Take care of  
20 Wellway!  
21 No Burns  
22 Be like Daddy  
Warbucks  
23 Compass  
24 heading  
25 Actress  
26 Merkel et al.  
27 Whittied  
28 Made matches  
29 Skinflints  
30 Cabler's stool  
31 Logical

PEANUTS



WORLD STOCKS IN REVIEW / Via Agence France-Press

**Amsterdam**  
The Amsterdam Stock Exchange lost ground last week after an early rise, as the ANP-CBS general index finished at 309.2, down from 313.5 the previous Friday. Analysts cited the news of a record monthly U.S. trade deficit, a further fall in the dollar's exchange rate, rising interest rates, and the mixed reaction to the moderately optimistic economic predictions contained in the Dutch budget memorandum. The Kempen & Co. brokerage said the favorable forecasts in the budget memorandum had already been discounted. The week's volume was 5.37 billion guilders (\$2.63 billion), down from 6.13 billion.

**Frankfurt**  
The West German stock market recovered early in the week, with the Commerzbank index pushing back up through the 2,000-point level, but this did not last. The dollar's hesitations, profit-taking and a tendency to higher interest rates dampened optimism. Investors were cautious, volume dropped and the market was stagnant. The Commerzbank index fell slightly for the week, to 1,973.1 from 1,974.2. Volume on the eight West German exchanges totaled 15.28 billion Deutsche marks, down from 16.45 billion the previous week. The automotive sector suffered the sharpest drops: BMW was down 16, closing at 737.50 DM. Daimler lost 29, to 1071.0 DM, and Volkswagen fell 1, to end at 398.50 DM. Electrical engineering stocks were irregular. AEG dropped 3.50 to 338.50 DM, while Siemens rose by 6.20 to 651.70 DM — and department stores were strong. Among banks, Commerzbank was up 1.50 to 292.50 DM. Dresdner rose by 2.50, and Deutsche Bank rose 3.80.

**Hong Kong**  
Hong Kong's record rights issue took a heavy toll on the local stock market until the bulls returned in force Friday. After dropping all week, the Hang Seng Index picked up 78.60 points Friday to finish at 3,649.96, down just 10.54 points for the week. Suspension of trading in four leading companies owned by local businessman Li Ka-shing, prior to the announcement of a 10.3 billion dollar (\$1.32 billion) rights issue, drove share prices down as the market felt the pinch of the call for cash. The four companies — Cheung Kong Holdings, Hutchison, Whampoa, and Cavendish International Holdings and Hongkong Electric — have cross-holdings in each other. Mr. Li is seeking a 4.9 percent stake in Cable and Wireless PLC of Britain.

**Milan**  
Milan stocks closed sharply down in the first two sessions last week after a toughening of credit and foreign-exchange restrictions, but demand surged at week's end. The Mediobanca Index closed up 2.16 percent, at 279.35 points. Total trading volume was a relatively high 200 million shares, for a value of 880.0 billion lire. Dealers were divided as to why the market picked up after a long period of stagnation. Some cited an expected revival of activity after the summer break; others pointed to signs of a return by large foreign investors. This week's trading is likely to be affected by the government's vote on the draft budget Wednesday. Italian business groups have criticized the new government's economic policies.

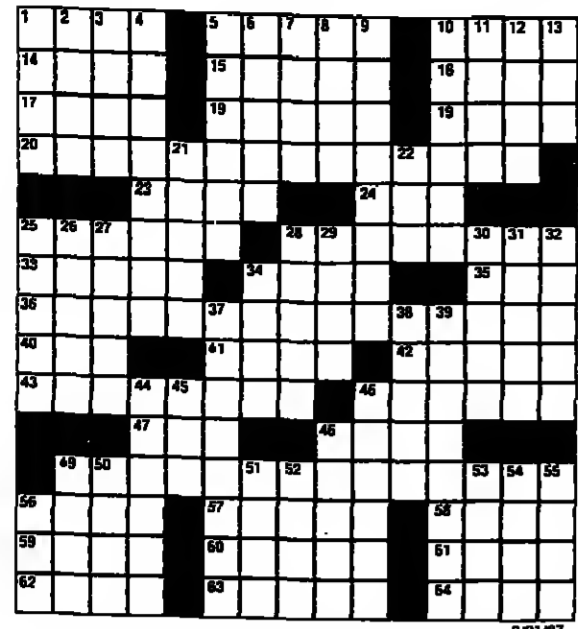
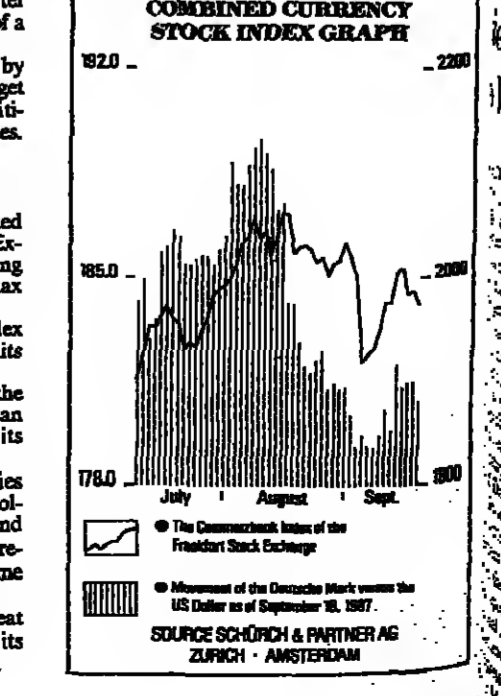
**London**  
The latest economic indicators were greeted with enthusiasm on the London Stock Exchange, dampening fears of an overheating economy and adding to hopes of further tax cuts in next year's budget. The Financial Times industrial share index closed up 69.4 points on the week at 1,833.2, its highest level in more than six weeks. After a slow start, gilts were boosted by the renewed surge of British entry into the European Monetary System. Their index ended at its highest level in more than four weeks. Favorable results from several companies (Next, Rio Tinto Zinc, United Biscuits, Woolworth) and renewed takeover activity and speculation involving Midland Bank, Storehouse, Costain, Mercantile House and some merchant banks, toned up the market. The battle for control of Guinness Peat intensified, with Equiticorp improving its terms and Robert Maxwell lifting his stake.

**Paris**  
The Paris stock market suffered last week from the persistent weakness of the bond market and the financial futures market, as the CAC index closed Friday at 429.2, off from 431.9 a week earlier. The rise in interest rates during the past several months, following a long period of decline, has turned many investors toward the bond market. And Finance Minister Edouard Balladur said he did not see any prospect of a drop in short-term interest rates. As a result, good economic news, including the moderate August rise in consumer prices (0.2 percent), the reduction of the trade deficit in August and higher retail sales during the summer, did not help stock prices.

**Singapore**  
Trading on the Singapore stock market was thin last week and the Straits Times industrial index took a beating, losing 73.07 points to close at 1,339.34. Many investors tried to cut their losses, while foreign institutions remained on the sidelines to monitor the exchange's new delivery and settling system. Total turnover fell 26.2 percent, from 114.2 million units the previous week to 84.3 million units.

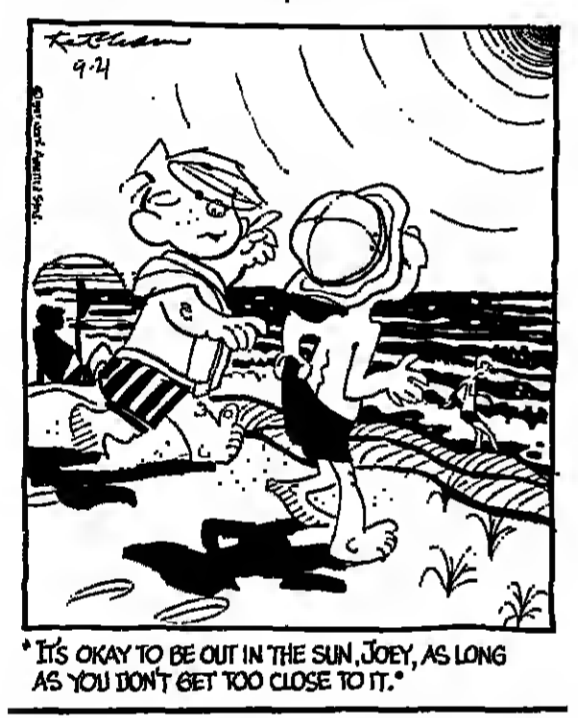
**Tokyo**  
Share prices were mixed in heavy trading during a holiday-shortened week, with buying centered on blue chips. The Nikkei Stock Average, which lost 915.76 yen the week before, closed at 24,844.84 yen Friday for a moderate 1.657 yen weekly gain. The market closed Tuesday for a national holiday and Saturday for a monthly recess. Investors, shrugging off news of the record U.S. trade deficit, bought export-oriented high-tech electricals Monday through Wednesday, but bearishness dominated at the week's end. Analysts expect continuing irregularity. Average daily turnover was 1.09 billion shares, up from 960 million the previous week. Average value rose to 882.5 billion yen, from 647.7 billion. Nippon Steel rose to 399 yen from 360, Kasai Steel gained 14 yen to 327 and Sumitomo Metal finished at 298 yen after 260. Sony closed at 5,050 yen, up from 4,790, and TDK rose to 5,050 yen, from 4,980. In financials, Nippon Securities fell to 4,120 yen, from 4,330, and Sumitomo Bank closed at 3,580 yen, up from 3,700.

**Zurich**  
The Zurich stock market had a quiet week, as the Swiss Bank Corp. index rose to 701.4 on Friday from 696.4 a week earlier. Analysts cited a stabilization of interest rates and of the dollar, and the decrease of pressure on the bond market. They said trading should remain quiet the next few days. Summer shares jumped 15 percent during the week, a rise attributed to speculation. Bank stocks were firm, as Credit Suisse rose 65 to close at 3390. Among financial companies, Elecrowatt rose 65, to 4190, while Oerlikon-Bihler dropped 40, to 1580.



ACROSS  
1 Nurturing  
2 Berlin  
3 landmark  
4 Brazilian  
5 dance  
6 Exult  
7 Assam  
8 silkworm  
9 Red as  
10 The Eagle  
11 Sutor  
12 The Louvre,  
e.g.  
13 Competent  
14 What an oil  
millionaire  
has?  
15 Fencing foil  
16 Short-haired  
dog  
17 Finally!  
18 Iron men?  
19 Take care of  
20 Wellway!  
21 No Burns  
22 Be like Daddy  
Warbucks  
23 Compass  
24 heading  
25 Actress  
26 Merkel et al.  
27 Whittied  
28 Made matches  
29 Skinflints  
30 Cabler's stool  
31 Logical

DENNIS THE MENACE



JUMBLE

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.  
YAHND  
ZAMIE  
HERGAT  
MIRAPI  
Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

WEATHER

Table with columns for Europe, Middle East, Oceania, Asia, and Africa, listing cities and weather forecasts (High, Low, Clouds, etc.).









POSTCARD

Vox ex Machina

By Olive Evans  
New York Times Service

NEW YORK — The voice sounds conspiratorial. It says darkly: "Hi. Quickly leave a message. Talk to someone who never interrupts. Not his. Let him pay for the return phone call."

The telephone answering machine's voice is that of Dr. Warren Farrell, a college teacher and writer who lives in Leucadia, California. His message reflects a growing penchant for using the answering machine as a vehicle for sophisticated humor and commentary on the state of the world. Messages with jazz introductions or imitations of Bela Lugosi as Dracula ("I'm out getting blood") will no longer do.

The growth of idiosyncratic phone messages may be a backlash against the solemnity of those that in a sense put the caller on hold, while the vaguely artificial-sounding voice of a friend intones the obvious at length.

"A person's style is much more evident on the answering machine," said Janet Halverson, a designer of book jackets who lives in Manhattan. "But since today's machines are voice activated, there is no longer an excuse for having a long-winded message." She was referring to the fact that on early machines there was a longer period before the beep and one could feel it necessary to fill the dead air.

The classic long message can also be counterproductive. "I just can't stand there and wait for the beep," a man said. "I have other things to do with my time. I just hang up and call back later. Or maybe not at all." For the machine owner, hang-ups can be frustrating.

The brief message leaves little room for creativity. Advanced practitioners feel they must not only think up a funny, startling or perhaps shocking message, but must also keep their callers amused with ever-changing messages.

"It's a way of using audio technology as a means of self-expression," said Gregory Dennis, editorial director of three weekly newspapers near San Diego. "I change them for entertainment value and to wow and amaze my friends. A couple of friends call up just to see what's on the machine. But I think sometimes people are

intimidated by such a message because they think they have to come back with something equally cute."

For a message maven like Dennis, current events are fair game. One of his messages this summer leaned heavily on the Iran-contra hearings: "Greetings from the John F. Kennedy School of Answering Machines," it said. "We didn't ask Greg and Karen if it was OK to take your message, but we know they would have approved. And remember — when it comes to returning your call, the book stops with this machine."

**SPEAKING** as the owner of four answering machines, Larry Josephson insists he hates technology. "None of them work," he said. "I'm very ambivalent about them, particularly when they don't do what they're supposed to do. I have been known to throw one against the wall. I can show you the dent."

He also has a machine that tells him how many messages came in on the other machines while he was out.

As president of the Radio Foundation, a public non-profit radio production company in New York, Josephson and an associate, Kathy Dobkin, collected telephone-answering machine messages some years ago as part of a project, Vox Inhumana. In one of them, Marvin Rosenberg's mother announces, "Hello, this is Marvin's mommy. Marvin can't answer right now because a genius like my son needs his rest."

Even those who frown on answering machines often succumb to their convenience. Gregory Dennis's brother, a lawyer in Boston, was one. "He used to rant and rave about California crazies when he would call me out here and get my machine," Dennis said. "But I've noticed a change in his attitude since he got one himself. His current message says: 'Much of life is very complicated. This experience is going to be very simple. First I talk, then it beeps, then you talk. Now, let's get started.'"

Pointing out that some people apologize in their messages for having a machine, he added: "Once in a while I'll stick in one that plays on people's innate fear of phone machines, telling them solemnly, 'This is a machine. It is only a machine.'"

Eclectic, Expatriate and a Star

By Mike Zwercin  
International Herald Tribune

PARIS — He has been described as "angelic looking," "a golden boy," "androgynously beautiful," "possibly the biggest soul star England has ever produced" and "a star with a star's name."

Terence Trent D'Arby's first album, "Introducing the Hard Line According To," shot to No. 1 on the British charts this summer and is ninth and rising on the Continent. "My record company expects it to be very big in the States," the American expatriate says.

"This record was just an itch I had to scratch," he continues. "I kept getting these calls from people who wanted to put me down in visible form to see if they were as good as I suspected they could be. I'm sort of satisfied at the moment. I'm not itching to do it again. Also I'm disillusioned with the entire process of having a hit record; it's not what I bargained for. All the pressure to keep the whole thing going. I don't want to be this year's Whitney Houston."

Like D'Arby, Houston has beautiful light brown features and musical instincts that are sensitive as well as commercial. Her debut album sold eight million copies in the United States and her second has been number one for 11 weeks. Nobody has a bad word to say about her and you wonder how worried D'Arby really is.

D'Arby is somehow too good to be true. His fine, symmetrical face combined with shoulder-length hair add up to perfect tailoring for instant crossover. His songs and singing style are familiar yet fresh, useful but not simple-minded. He has strong opinions, yet he'll listen to the other side. He's confident without arrogance and serious without being a stick-in-the-mud. When he says he reads Robert Frost and John Donne and listens to John Coltrane he hopes it "does not sound pretentious." The traces of an English accent seem more due to good ear than orientation. His mysticism appears to be more than skin deep.

"I've nearly died five times," he says. "When I was six years old a trailer fell on me. I should have



Terence Trent D'Arby: Familiar but fresh.

been crushed but they tell me some woman who just happened by pulled me out. Once I drowned and was pronounced technically dead. I've been in three serious automobile accidents. So I just have to believe in destiny, and I believe in life after life. There must be some reason I'm still about."

Growing up in New York City, East Orange, New Jersey, Chicago and Deland, Florida, with his minister father and gospel singing mother, he started to sing in church. "I remember the women hugging me, smothering me in massive tears. That was cool," he says. Journalism was his "first recognized talent." At 16 in Deland, he wrote a letter to the editor of a local paper about an issue that was being debated and they liked it enough to ask him to write a column for youngsters.

He moved to England four years ago after serving in the U.S. forces in West Germany, where he boxed in the Golden Gloves and was court-martialed when he went AWOL to sing with a band

(the sentence was suspended). He knew right away that it was home. "Something deep down inside told me I'll live in England for the rest of my life," he says. "I was always restless in the States, something didn't sit right. I'm a Pisces and Pisces are diehard romantic and so the romantic illusion of expatriation appeals to me — you know, the American musician being accepted abroad like Jimi Hendrix or Dexter Gordon."

In the United States, the pop music industry demands that a "product" be tailored to fit into some age, race or class category. D'Arby does not believe he could have withstood the pressure of "all those people telling me 'I know what's happening, do what I say now, later you can do what you want.' In England, you can make it if the song is good and you sing it well. With me they just figured they had somebody interesting who could carry his own weight."

A Times of London feature titled "Terry Says He's the Boy We

Need" pointed out how ironic it is that "the Great Light Brown Hope of British soul should be an American, but Terence already seems completely assimilated into Britain's eclectic pop culture. He knows, too, that our indigenous soul scene has been waiting for a real star for over 20 years."

D'Arby has been compared to Prince and Michael Jackson, which he considers "journalistic laziness." "I don't see any work behind those comparisons," he says. "They think 'Oh Terence is a mulatto and sings with a high voice too.' Or they'll name other black singers like Sam Cooke and Marvin Gaye. But, really, don't you bear a bit of the Stones in there, a bit of T. Rex? I'm more influenced by Stevie Wonder than by Lennon and McCartney."

You might also mention Otis Redding and Rod Stewart. Rarely has an artist combined so many obviously derivative elements into something so obviously new. The secret of his alchemy: "I look at writing and recording like going to the toilet," he says. "I go out in the street and listen to passing cars and conversations. I absorb, breathe in, eat and drink. Or sometimes I'll sit at home and put Miles Davis on one source, Prokofiev on another, hip-hop on another and listen to all of them at the same time. At the end of the day all those things just have to come out."

"One of the primary reasons for any kid to pick up a musical instrument is to get girls. In school you go through this educational process that molds you into a macho character. Boys are groomed early to start preparing the mask, the image that is manhood. When the hormones start to jump around the body, you pick up a guitar and serenade the young lady. Works every time."

"But it's not enough for me. There are so many other things to do. I've always wanted to make music. Did you see 'Redd'? I'd like to make an epic like that about Malcolm X. He was the last great radical here. He's 25, I don't know who's going to give me the money to do that, but more than anything I'd prefer to die before I get bored — preferably owing a lot of taxes."

LANGUAGE

Long Time No See

By William Safire

WASHINGTON — When Jewish leaders met at the Vatican with church leaders to prepare a joint communiqué to be issued at the close of a meeting with Pope John Paul II, Rabbi Marc H. Tanenbaum of the American Jewish Committee noted a surprisingly informal construction in the Catholic draft. The document referred to the president of the Commission for Religious Relations With the Jews as "Cardinal John Willibrands."

"Shouldn't this read 'His Eminence, John Cardinal Willibrands'?" asked the rabbi, referring to the ancient, formal style stemming from the time the nobility put the Christian name before the title, as in "William, Duke of Norfolk." "We don't do that anymore," said Willibrands cheerfully, and into the historic communiqué went a couple of references to cardinals using the title before the first name.

That was how the text appeared in The New York Times, but the accompanying news story clung grimly to the old ways. In some matters, The Times thinks in terms of centuries.

The Associated Press Stylebook goes with the new form, and most newspapers are adopting it. "There has been no formal decree to change the placement of cardinal from its traditional use after the first name," says a spokesman for the National Conference of Catholic Bishops in Washington. "It has become an informal option."

Meibesse, but priests who want to get in tune with the latest Vatican usage will probably take this communiqué as their keynote. Personally, I hate to see the archaic usage go — we have few enough reminders of our linguistic heritage — but the adoption of the modern form will simplify matters for those outside the church who wondered why so many church leaders had the same middle name.

salon — was often used to describe the death of *holocaust*. In English, the word *holocaust*, "burnt whole," first appeared in the language around 1250, in a biblical song telling the story of Abraham and Isaac. In its application to the Nazi era, the capitalized word was used first in this specific sense in the title of a 1965 book about the Warsaw ghetto by Alexander Donat, "The Holocaust Kingdom."

However, the word *holocaust*, even when capitalized to refer to the specific Nazi era, has been used to encompass more than the murder of Jews. Hence, Jews sought a term for their particular tragedy. *Shoah*, a Hebrew word, has filled that need. The Catholic Church's use of *Shoah* in this context in recent years shows its willingness to acknowledge the uniqueness of Jewish suffering.

"Citing the Exodus of the Jewish people from Egypt as a paradigm." The Pope used the word *paradigm* in his meeting to show how "evil can be overcome in history, even the awesome evil of the Shoah." Some of the Jewish leaders told *paradigm* — "model, example, pattern, archetype" — as a word they could apply to the aftermath of the pope's reception of Austria's Kurt Waldheim, a member of a unit that deported Jews to their deaths. These leaders held that out of evil could come good, and saw in the pope's use of *paradigm* an oblique hint at what good could follow the widespread dismay of Jews at that much-criticized papal audience. That evidence of stretching a bit, evinces of Talmudic overinterpretation, but not every brother can paradigm.

That was a pun, as is the title of this piece. In the phrase *Holy See*, the word *see* comes from the Latin *sedes*, "seat"; the Holy See is the throne, or seat of power, of Roman Catholicism. A Washington Post editorialist, seeking a punchy headline a few years ago for a piece about Washington's decision to establish full diplomatic relations with the Vatican, suggested "Long Time No See." It was rejected last but is construed as irreverent, but the unwritten headline's consideration should not go unrecorded.

Another usage: "The agenda for the meeting included the Shoah (Holocaust)." *Shoah* is a Hebrew word for "catastrophe," also described in some Hebrew-English dictionaries as "destruction, ruin." It was used soon after World War II to describe the attempted extermination of Europe's Jews. In Hebrew and Yiddish, *churban*, "destruction" — specifically, the destruction of the Temple in Jeru-

New York Times Service

ANNOUNCEMENTS
Call Your Toll-Free Number for the INTERNATIONAL HERALD TRIBUNE'S Instant Subscriber Service
MOVING
REAL ESTATE FOR SALE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
EMPLOYMENT
EMPLOYMENT
EXCEPTIONAL RATES

INTERNATIONAL CLASSIFIED
REAL ESTATE FOR SALE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
REAL ESTATE TO RENT/SHARE
EMPLOYMENT
EMPLOYMENT
EXCEPTIONAL RATES

LOW COST FLIGHTS
HOTELS
ACCESS VOYAGES
HOLIDAYS & TRAVEL
PORTUGAL
FROM LONDON TO:
FROM ZURICH TO:
PRECIOUS STONES
EDUCATION
ITALY
HOTELS

GARRARD
The Architects of Time
Steel and 18K Gold, water resistant 30 m.
INTERNATIONAL HERALD TRIBUNE SPONSOR

International Business Message Center
ATTENTION EXECUTIVES
BUSINESS OPPORTUNITIES
BUSINESS SERVICES
YOUR OFFICE IN TOKYO
BRITISH MOTORS 5.A.
TAX FREE USED CARS
BUSINESS SERVICES
YOUR OFFICE IN TOKYO
BRITISH MOTORS 5.A.
TAX FREE USED CARS
BUSINESS SERVICES
YOUR OFFICE IN TOKYO
BRITISH MOTORS 5.A.
TAX FREE USED CARS

Page 13 FOR MORE CLASSIFIEDS
INTERNATIONAL HERALD TRIBUNE
Place Your Classified Ad Quickly and Easily
HEAD OFFICE
LONDON
LONDON
LONDON
LONDON
LONDON

AT&T'S New Call For Travel
The Architects of Time
AT&T'S New Call For Travel
The Architects of Time
AT&T'S New Call For Travel
The Architects of Time